

18 February 2022

Changes to our products

I am writing to let you know that LGIAsuper is making some changes to some of our products, which are effective from 31 March 2022.

This notice explains the changes and what they could mean for you. You can also access this notice at lgiasuper.com.au/sen.

You are not required to do anything, but we recommend you review these changes in case you would like to update your account.

MySuper fees to be reduced

On 31 March 2022, we will be reducing the investment fee and Indirect Cost Ratio for our MySuper investment option.

Investment fees are paid directly to external providers for managing your investments and are deducted from investment earnings as they are applied to your account.

Indirect costs are expenses incurred by external providers in managing your investments, such as brokerage and stamp duty. Indirect costs are not charged to you as a fee but are reflected in your investment returns.

The upcoming reduction to the investment fee and Indirect Cost Ratio for our MySuper option is a result of improvements being made to our investment managers and asset class mix. It reflects our ongoing commitment to lowering costs and delivering better services.

Changes to our investment options

Changes to asset classes

An asset class is a group of investments with similar financial characteristics. Our investment options consist of one or more asset classes.

From 31 March 2022, the Private Capital asset class will be renamed Private Equity.

Changes to Strategic Asset Allocations and ranges

A Strategic Asset Allocation (SAA) is the target percentage for each asset class that makes up a portfolio (investment option). The range is the minimum and maximum amounts we invest in each asset class.

From 31 March 2022, the SAAs for all of our diversified investment options will change. Additionally, the

allowable ranges will change for some asset classes within the MySuper, Balanced and Defensive options.

The update to the SAAs and ranges is part of our commitment to continually review and monitor our investment options to help our members achieve their retirement goals.

My Super				
Asset class	Current		From 31 March 2022	
	SAA %	Range %	SAA %	Range %
Australian Shares	24	13-37	27	13-37
International Shares	28	13-37	33	13-37
Private Equity	5	0-10	0	0-10
Property	10	0-20	10	0-20
Infrastructure	10	0-20	10	0-20
Diversifying Strategies	0	0-10	0	0-10
Diversified Fixed Interest	18	0-50	10	0-30
Cash	5	0-20	10	0-20

Aggressive				
Asset class	Current		From 31 March 2022	
	SAA %	Range %	SAA %	Range %
Australian Shares	30	15-45	32	15-45
International Shares	33	15-45	37	15-45
Private Equity	5	0-10	6	0-10
Property	9	0-20	10	0-20
Infrastructure	11	0-20	10	0-20
Diversifying Strategies	10	0-20	0	0-20
Diversified Fixed Interest	0	0-20	0	0-20
Cash	2	0-20	5	0-20

Diversified Growth				
Asset class	Current		From 31 March 2022	
	SAA %	Range %	SAA %	Range %
Australian Shares	22.5	13-37	25	13-37
International Shares	27.5	13-37	30	13-37
Private Equity	5	0-10	5	0-10
Property	9	0-20	10	0-20
Infrastructure	11	0-20	10	0-20
Diversifying Strategies	5	0-10	0	0-10
Diversified Fixed Interest	18	0-30	10	0-30
Cash	2	0-20	10	0-20

Balanced				
Asset class	Current		From 31 March 2022	
	SAA %	Range %	SAA %	Range %
Australian Shares	13.5	0-27	18	0-27
International Shares	16.5	0-27	22	0-27
Private Equity	5	0-10	4	0-10
Property	9	0-20	10	0-20
Infrastructure	11	0-20	10	0-20
Diversifying Strategies	5	0-10	0	0-10
Diversified Fixed Interest	37	20-50	20	0-50
Cash	3	0-20	16	0-30

Stable				
Asset class	Current		From 31 March 2022	
	SAA %	Range %	SAA %	Range %
Australian Shares	8	0-20	9	0-20
International Shares	12	0-20	13	0-20
Private Equity	2	0-10	3	0-10
Property	8	0-20	9	0-20
Infrastructure	10	0-20	9	0-20
Diversifying Strategies	5	0-10	0	0-10
Diversified Fixed Interest	40	20-60	32	20-60
Cash	15	0-40	25	0-40

Defensive				
Asset class	Current		From 31 March 2022	
	SAA %	Range %	SAA %	Range %
Australian Shares	3	0-15	5	0-15
International Shares	4	0-15	5	0-15
Private Equity	0	0-10	0	0-10
Property	5	0-15	5	0-20
Infrastructure	7	0-15	7	0-20
Diversifying Strategies	3	0-10	0	0-10
Diversified Fixed Interest	56	35-75	37	20-75
Cash	22	0-50	41	0-50

Changes to the Standard Risk Measure

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 20-year period. The Standard Risk Measure is not a complete assessment of all forms of investment risk. For more information, see the *Investment choice guide* for your account.

From 31 March 2022, the Standard Risk Measure will change for the below investment options.

Investment option	Standard Risk Measure		Estimated number of negative annual returns over any 20-year period	
	Current	From 31 March 2022	Current	From 31 March 2022
MySuper	Medium to High	High	3.7	4.8
Aggressive	High	High	4.3	5.1
Diversified Growth	Medium to High	High	3.5	4.7
Balanced	Medium	High	2.4	4.1
Stable	Low to Medium	Medium to High	1.4	3.1
Defensive	Very Low	Low to Medium	0.4	1.8

Minimum account balance if making a lump sum withdrawal

From 31 March 2022 if you wish to make a partial lump sum withdrawal, you must leave a minimum balance of \$8,000 in your Accumulation account. Previously, the minimum account balance was \$6,000.

We're here to help

For further information about our investment options, please refer to the *Product Disclosure Statement* and the *Investment choice guide* for your account which can be found at lgiasuper.com.au/PDS.

You can review or change your investment options online at any time by logging in to your Member Online account at lgiasuper.com.au. We urge members to seek financial advice before making decisions about investment options.

If you have any questions, please contact us on **1800 444 396**.

Yours sincerely,



Kate Farrar
Chief Executive Officer