

## Account based pensions

### How the investment options are invested

Investment option	Aggressive	Growth																																										
<b>Allowable and Target ranges</b>	<table border="1"> <thead> <tr> <th></th> <th>Allowable range</th> <th>Target range</th> </tr> </thead> <tbody> <tr> <td> Australian Shares</td> <td>20-50%</td> <td>25-39%</td> </tr> <tr> <td> International Shares</td> <td>20-50%</td> <td>25-39%</td> </tr> <tr> <td> Property</td> <td>0-20%</td> <td>3-17%</td> </tr> <tr> <td> Alternatives</td> <td>0-45%</td> <td>10-38%</td> </tr> <tr> <td> Bonds</td> <td>0-5%</td> <td>0-5%</td> </tr> <tr> <td> Cash</td> <td>0-10%</td> <td>0-9%</td> </tr> </tbody> </table>		Allowable range	Target range	 Australian Shares	20-50%	25-39%	 International Shares	20-50%	25-39%	 Property	0-20%	3-17%	 Alternatives	0-45%	10-38%	 Bonds	0-5%	0-5%	 Cash	0-10%	0-9%	<table border="1"> <thead> <tr> <th></th> <th>Allowable range</th> <th>Target range</th> </tr> </thead> <tbody> <tr> <td> Australian Shares</td> <td>10-45%</td> <td>18-32%</td> </tr> <tr> <td> International Shares</td> <td>10-45%</td> <td>18-32%</td> </tr> <tr> <td> Property</td> <td>0-20%</td> <td>1-15%</td> </tr> <tr> <td> Alternatives</td> <td>0-60%</td> <td>26-54%</td> </tr> <tr> <td> Bonds</td> <td>0-25%</td> <td>0-8%</td> </tr> <tr> <td> Cash</td> <td>0-10%</td> <td>0-9%</td> </tr> </tbody> </table>		Allowable range	Target range	 Australian Shares	10-45%	18-32%	 International Shares	10-45%	18-32%	 Property	0-20%	1-15%	 Alternatives	0-60%	26-54%	 Bonds	0-25%	0-8%	 Cash	0-10%	0-9%
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<b>Description</b>	Invests primarily in shares, property, unlisted equities, infrastructure and other alternatives that aim to maximise returns by taking greater risk.	Invests mainly in shares, property, unlisted equities, infrastructure and other alternatives that aim to maximise returns by taking greater risk.																																										
<b>Investment objectives</b>	Achieve a return exceeding the increase in the Consumer Price Index (CPI) by at least 4.25% pa, after tax and investment costs, over any ten year period.	Achieve a return exceeding the increase in the Consumer Price Index (CPI) by at least 3.75% pa, after tax and investment costs, over any ten year period.																																										
<b>Risk profile<sup>1</sup></b>	<p><b>Risk level – medium to high.</b></p> <p>Estimated annual negative returns over any 20 year period – 3.9<sup>2</sup>.</p> <p>Minimum time to invest – at least five years.</p>	<p><b>Risk level – medium to high.</b></p> <p>Estimated annual negative returns over any 20 year period – 3.4<sup>2</sup>.</p> <p>Minimum time to invest – at least five years.</p>																																										

#### <sup>1</sup> About the standard risk measure

We've measured risk using the super industry's standard risk measure so you can compare investment options between different funds. The standard risk measure describes risk based on the number of negative annual returns expected over any 20 year period. It's calculated using a simulated model that takes into account factors that may affect returns. This isn't a complete assessment of investment risk, as it doesn't show the size of negative returns, whether you'll meet your investment objective or the impact of fees and taxes on your returns. The real world is complex and not always rational. This means mathematical theories may not always play out in practice. You need to be comfortable with the risk and potential losses of your chosen investment options. For more information about the standard risk measure, the Trustee's risk assessment methodology and other types of investment risk, visit the investment section of our website [mine.com.au](http://mine.com.au)

<sup>2</sup> These negative returns can be experienced several years apart or several years in a row within the 20 year period.

## Balanced

	Allowable range	Target range
 Australian Shares	0-25%	9-23%
 International Shares	0-25%	9-23%
 Property	0-20%	0-12%
 Alternatives	0-70%	33-61%
 Bonds	0-45%	6-20%
 Cash	0-20%	0-9%

Balanced invests across a range of growth and defensive assets. Growth assets have the potential to provide high long-term returns, but also have the highest short-term risk. Defensive assets reduce some of the short-term risk, but generally provide lower long-term returns.

Achieve a return exceeding the increase in the Consumer Price Index (CPI) by at least 3.25% pa, after tax and investment costs, over any ten year period.

### Risk level – medium.

Estimated annual negative returns over any 20 year period – 2.7<sup>2</sup>.

Minimum time to invest – at least three years.

## Stable

	Allowable range	Target range
 Australian Shares	0-20%	3-17%
 International Shares	0-20%	3-17%
 Property	0-20%	0-10%
 Alternatives	0-70%	27-55%
 Bonds	0-50%	28-42%
 Cash	0-30%	0-9%

Stable invests primarily in defensive assets, such as cash and bonds. Defensive assets reduce some of the short-term risk, but generally provide lower long-term returns. Stable also invests some of its portfolio in growth assets, such as shares and property. Growth assets have the potential to provide high long-term returns, but also have the highest short-term risk.

Achieve a return exceeding the increase in the Consumer Price Index (CPI) by at least 2.25% pa, after tax and investment costs, over any ten year period.

### Risk level – low to medium.

Estimated annual negative returns over any 20 year period – 1.7<sup>2</sup>.

Minimum time to invest – at least three years.

## Capital Guarded

	Allowable range	Target range
 Australian Shares	0-20%	3-17%
 International Shares	0-20%	3-17%
 Property	0-20%	0-10%
 Alternatives	0-70%	27-55%
 Bonds	0-50%	28-42%
 Cash	0-30%	0-9%

Capital Guarded invests primarily in defensive assets, such as cash and bonds. Defensive assets reduce some of the short-term risk, but generally provide lower long-term returns. Capital Guarded also invests some of its portfolio in growth assets, such as shares and property. Growth assets have the potential to provide high long-term returns, but also have the highest short-term risk.

Achieve a return exceeding the increase in the Consumer Price Index (CPI) by at least 2.25% pa, after tax and investment costs, over any ten year period.

### Risk level – low to medium

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Minimum time to invest – at least three years.

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### How the investment options are invested

Investment option	<span style="color: #92D050;">■</span> Australian Shares	<span style="color: #C00000;">■</span> International Shares	<span style="color: #00A0C0;">■</span> Property
<b>Description</b>	Shares are a growth asset and tend to earn the highest return in the long term and have the highest probability of negative returns in the short term. Australian shares provide access to companies listed on Australia's stock exchange as well as the potential for franked dividends.	International share based investment.  The return from the International Shares investment option is affected by movements in the value of international currencies. This is also known as being 'unhedged'. A rise in value of the Australian dollar will have a negative impact on performance, while a fall in value will have a positive impact on performance.	Property invests in listed property vehicles which own industrial, commercial, retail, central business district and other real estate assets in Australia and overseas.  Property is a growth asset that generally provides high long term returns. Property provides returns through both rental income and capital growth and allows investors to diversify a growth asset portfolio. Super funds tend to invest in commercial, industrial and retail property, such as office blocks, warehouses, shopping centres and factories.
<b>Investment objectives</b>	Before tax and after investment management fees, to exceed the return on the S&P/ASX 200 Accumulation Index over moving five year periods.	Before tax and after investment management fees, to exceed the return on the MSCI All Countries World (ACWI) Total Return Index over moving five year periods.	Before tax and after investment management fees, to track the return of a composite benchmark comprising 50% FTSE EPRA/NAREIT Developed ex Australia Rental Index (hedged) / FTSE EPRA/NAREIT Australia Index <sup>#</sup> over moving five year periods.
<b>Risk profile<sup>1</sup></b>	<b>Risk level – high.</b>  Estimated annual negative returns over any 20 year period – 5.1 <sup>2</sup> .  Minimum time to invest – at least five years.	<b>Risk level – very high.</b>  Estimated annual negative returns over any 20 year period – 6.6 <sup>2</sup> .  Minimum time to invest – at least five years.	<b>Risk level – very high.</b>  Estimated annual negative returns over any 20 year period – 6.6 <sup>2</sup> .  Minimum time to invest – at least five years.

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<sup>2</sup> These negative returns can be experienced several years apart or several years in a row within the 20 year period.

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■ Bonds

■ Cash

■ Term Deposit

Australian bond and international bond-based investment

Cash based investment

Term deposit based investment

Before tax but after investment management fees, to exceed the return on the Bloomberg AusBond Composite 0+ Yr Index over moving three year periods.

Before tax but after investment management fees, to exceed the return of an investment compounding at the RBA Cash Rate each year.

The Term Deposit investment option will pay a fixed rate of interest if a term deposit is held to maturity. The interest you'll receive on money in the Transaction Account will fluctuate with movements in the Reserve Bank of Australia's cash rate less any applicable tax.

**Risk level – high.**

Estimated annual negative returns over any 20 year period – 5<sup>2</sup>.

Minimum time to invest – from one to five years.

**Risk level – very low.**

Estimated annual negative returns over any 20 year period – Nil.

Minimum time to invest – Cash is a short-term investment not suitable for investors who have more than three years to invest their super.

**Risk level – very low.**

Estimated annual negative returns over any 20 year period – Nil.

Minimum time to invest – You can invest in one or more term deposits and can select a term of six months or one year.