

# Aon Master Trust

Annual report 2018

# About the Aon Master Trust

## smartMonday

Through its smartMonday PRIME, DIRECT and PENSION products, the Aon Master Trust (the fund) caters for every stage of your life:

- superannuation that offers you a great savings vehicle with flexible insurance cover
- a pension for when you retire, or
- a transition to retirement pension that you can have without retiring.

smartMonday PRIME includes some defined benefit arrangements. Members in defined benefit arrangements may also have additional voluntary savings accounts. These members are referred to as 'defined benefit members' in this report. Defined benefit members should note that some of the content in this annual report does not apply to them or may differ in regard to their membership. More information about this is shown later in this report.

Member and employer contributions and earnings on those contributions make up the majority of the fund's assets, which are invested by the trustee. The trustee holds the assets in trust on behalf of members and uses them to pay benefits to members and their beneficiaries.

## Insurance-only products

As well as superannuation savings and pension products, the Aon Master Trust offers insurance-only superannuation products.

At 30 June 2018, those products were the AIA Insurance Super Scheme No.2 and the Zurich Insurance-only Superannuation Plan.

Members of these products should note that some content in this annual report does not apply to them or may differ in regard to their membership. See pages 44–45 for more information.

Your fund annual reporting for 2017/18 consists of:

- this annual report and
- your 2018 benefit statement.

If you would like a printed copy of this annual report free of charge, call us on 1300 880 588 or email us at [enquiries@smartmonday.com.au](mailto:enquiries@smartmonday.com.au)

smartMonday is a registered trading name of Aon Hewitt Limited ABN 48 002 288 646 AFSL 236667 (Aon), the sponsor of the Aon Master Trust ABN 68 964 712 340 (the fund). The trustee of the fund and issuer of this report is Equity Trustees Superannuation Limited ABN 50 055 641 757 AFSL 229757 RSE Licence L0001458. This report has been prepared by Aon on behalf of the trustee. smartMonday PRIME, smartMonday DIRECT, smartMonday PENSION and insurance-only products are part of the fund. References in this report to 'we', 'us', and 'our' are references to the trustee. The information contained in this report is general in nature and should not be relied on as personal advice as your personal needs, objectives and financial situation have not been considered when preparing this information. Past performance should not be considered a guide to future performance. Before deciding whether any general advice or particular product is right for you, please consider the relevant *Product Disclosure Statement* and talk with your financial adviser for advice tailored to your personal circumstances.

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smartMonday PRIME, smartMonday DIRECT and smartMonday PENSION have all been rated as 'outstanding' and awarded 5 Quality Stars by ratings agency The Heron Partnership. Ratings are based on the superannuation products reviewed by Heron (not an analysis of all super products in the market place). Heron's 2018/19 assessment covered 133 superannuation products and 78 pension products. Further information about Heron's methodology can be found on their website at [heronpartners.com.au](http://heronpartners.com.au). References to The Heron Partnership in this annual report have been authorised.

# Welcome to your 2018 annual report



## A milestone year for smartMonday

The head of smartMonday, recently named Super Review's Women in Financial Services Superannuation Executive of the Year Jennifer Dean, shares her thoughts on a transitional 17/18.

## Celebrating the Monday mindset

It might sound strange for a fund with nearly three decades of experience to celebrate a first birthday – but on 6 November 2018 smartMonday will blow out the candles to mark twelve months of standalone achievement following our rebrand from the Aon Master Trust.

At its core the repositioning wasn't a corporate refresh. It was a reset. Born out of a belief that superannuation was convoluted and confusing, it was a chance to reinvigorate our approach to member enhancement.

Super has been seen by many as a thought for tomorrow. Symbolically the weekend represented retirement and Thursday was when most people started to think about their super.

We wanted to change that mindset to trigger earlier awareness and action, closer to the Monday in a member's working life, but no matter when engagement happened we were determined we would remove the friction and make it simple for our members to make easy changes that would fast track their financial future.

With that in mind over the last financial year smartMonday has introduced a raft of relevant and fresh features, addressed technological and contextual challenges and unveiled our reimagined low touch default investment option that our product team dubbed the 'Glide Path'.

## Deepening connections

For many members the first glimpse of smartMonday's fresh new face was their interaction with our website. The early signs have been encouraging. In the ten months since going live we had registered 280,000 page views – an increase of more than 10 percent on the year prior.

Our site captured the attention of people beyond our growing membership base too and in June we were awarded the MAX: Website of the Year Award for our innovative approach to online communication – validating our commitment to making super simpler.

## Not just talking to members – listening to them

We're determined to continue our evolution to the most relevant and beneficial super solution for our members.

We've got a robust and insightful pipeline of feedback from our members through our voice of customer surveys and through the feedback to our customer service team. I thank everyone for taking the time to engage with smartMonday since our relaunch.

We know from this organic feedback that more of our members are continually accessing content on their most preferred device – and I include paper in that – so we've optimised our communications for multi-channel delivery.

We are committed to deepening our proactive communications with all members and in the next financial year we will continue to roll out more digital content via email and social media that is tailored around our unique module – the *8 Habits of a Financially Fit Human Being* – to continue apace with our promise to deliver our members more.

Of course, technology shouldn't come at the expense of human connections and our smartPartners continue to service smartMonday PRIME members with face-to-face sessions across Australia. We've also found a solution that deploys our smartCoach team's expertise in a timely manner for all our members through the implementation of a live chat feature on our website. We recently concluded our trials into the live chat functionality to make sure the service was adding value and worthy insights for our members and are anticipating a site-wide launch of the service before the end of the calendar year.

## Gliding into the future

Another major shift in the last 12 months was our transition towards an enhanced investment option for our default members within the Aon MySuper lifecycle strategy.

As part of our commitment to perpetual improvement for members we decided to build on the solid foundation of Aon's MySuper lifecycle investment option (established in 2014). We reflected on shifting contextual factors including member saving and retirement habits, possible regulatory changes and the evolving investment market to strengthen our proposition.

We decided to modify the shape of the 'glide path' and are broadening the investments utilised to deliver growth opportunities when members are younger while insulating them from the risk of capital loss as they approach retirement.

With a dynamic investment mix that gradually and automatically adjusts from growth assets (shares, infrastructure and property) towards more defensive assets (fixed interest) it was a solution for members that were seeking a lower touch strategy.

## Beyond Monday

With superannuation you never want to be looking back, wishing you had done more. You need to be focused on the now with a big eye towards the future and so it is for smartMonday.

While I am thrilled with the progress and growth over the last twelve months I am genuinely enlivened by all the opportunities we are chasing down to better the member experience in 2018/19.

Here's to making the most of Monday – and every day for that matter!



**Jennifer Dean**

Partner, Head of Retirement and Investment Solutions

# Investments

## Value and percentage of total assets as at 30 June 2018

This table shows the value of investments in unlisted unit trusts (or managed funds) and in the direct investment option as a percentage of the fund's total assets as at 30 June 2018. The table excludes cash and cash equivalents held directly (not via managed funds), and other assets shown in the *Statement of financial position* on page 35.

Investment product	Asset class	Value (\$'000) as at 30/6/18	Percentage of fund total assets as at 30/6/18
<b>Unlisted unit trusts</b>			
<b>Australian shares</b>			
Russell Australian Opportunities Fund	Shares	\$92,999	2.7%
Russell After-Tax Australian Shares Fund	Shares	\$306,295	8.8%
Crescent Australian Equity Fund	Shares	\$1,179	< 0.1%
Vanguard Australian Shares High Yield Fund	Shares	\$131,111	3.8%
Vanguard Australian Shares Index Fund	Shares	\$568,419	16.4%
<b>International shares</b>			
Russell Emerging Markets Fund	Shares	\$5,975	0.2%
Russell Global Opportunities Fund	Shares	\$79,511	2.3%
Russell International Shares Fund	Shares	\$175,083	5.1%
Russell International Shares Fund (\$A hedged)	Shares	\$102,868	3.0%
Vanguard International Shares Index Fund	Shares	\$505,147	14.6%
Vanguard International Shares Index Fund (hedged)	Shares	\$206,722	6.0%
<b>Property</b>			
Russell International Property Securities Fund (\$A hedged)	Property	\$41,906	1.2%
Vanguard Property Securities Index Fund	Property	\$173,429	5.0%
<b>Alternative assets</b>			
Russell Australian Cash Enhanced Fund	Alternative assets	\$2,637	< 0.1%
Barings Global Loan Fund	Alternative assets	\$42,383	1.2%
Insight Diversified Inflation Plus Fund	Alternative assets	\$17,219	0.5%
Vanguard Global Infrastructure Fund	Alternative assets	\$17,443	0.5%
<b>Australian fixed interest</b>			
Russell Australian Bond Income Fund	Fixed interest	\$107,638	3.1%
Vanguard Australian Fixed Interest Index Fund	Fixed interest	\$197,492	5.7%
<b>International fixed interest</b>			
Russell International Bond Fund (\$A hedged)	Fixed interest	\$114,649	3.3%
Vanguard International Credit Securities Index Fund (hedged)	Fixed interest	\$89,934	2.6%
Vanguard International Fixed Interest Index Fund (hedged)	Fixed interest	\$95,342	2.8%
<b>Cash</b>			
Russell Australian Cash Fund	Cash	\$264,343	7.6%
Vanguard Cash Reserve Fund	Cash	\$7,902	0.2%
<b>Direct investment option</b>		\$5,475	0.2%
<b>Total</b>		<b>\$3,353,101</b>	

# Investment strategy

When making decisions about the fund's investment strategy, the trustee considers several key factors. These include the fund's membership profile, size, growth rate, benefit structure, financial and tax position, the broader financial and economic environment, and relevant findings in reports from experts or advisers.

Ultimately, the strategy needs to support the trustee's legislative duties (including its duty to act in the best interests of fund beneficiaries) and its objective to enable members to build adequate retirement savings.

To achieve this, the trustee's overarching investment strategy is to provide:

- a choice of investment options that allows members to tailor their investment portfolio to suit their personal circumstances, financial goals and risk profile, and
- a default investment option that addresses the needs of smartMonday PRIME members who do not make active investment choices.

The investment strategy (and objectives) for each of the fund's managed investment options are shown later in this report.

## Investment options

The fund offers members with a superannuation savings account, including defined benefit members with additional voluntary accounts that do not support their defined benefit entitlements (referred to as 'superannuation members') and pension members a range of pre-mixed and sector investment options (referred to as 'managed investment options') and (for superannuation members) a direct investment option. This investment suite gives members a wide choice with varying levels of risk and return and access to both domestic and global markets. Members can choose one or a mix of options and can change their choice at any time. Members invested in managed investment options can use those options to create a specific strategy for future contributions to their account.

## Managed investment options

The **pre-mixed options** are well-diversified across asset classes and range from more aggressive to more conservative. They offer both index and active management styles, and are intended to be suitable for members who prefer to leave decisions about their portfolio's asset allocation and investment fund selection to us.

This category includes Aon MySuper which is the default investment option for smartMonday PRIME members (excluding defined benefit members). Aon MySuper's lifecycle investment approach, where the investment mix is adjusted automatically based on the member's age, focuses on growth opportunities at younger ages and reducing the risk of capital loss on approach to retirement.

The **sector options** offer a 'pick and mix' menu across asset classes and typically use multiple managers to achieve diversification of strategies. Sector options are intended to be suitable for members who want to tailor their portfolio's asset allocation but prefer to leave investment fund selection to us.

## Direct investment option (DIO)

DIO is available to members of smartMonday PRIME (excluding defined benefit members) and smartMonday DIRECT.\* DIO is a totally online experience and may be suitable for members who want more flexibility and control over how their super is invested. Through DIO, members are able to invest part of their super directly in:

- Australian shares – shares offer investors the potential for capital growth and income in the form of dividends and possibly trust distributions
- Exchange-traded funds (ETFs) – ETFs usually aim to track the performance of a specific index and offer investors the potential for capital growth and income
- Term deposits – offer investors the security of a fixed rate of return over a fixed investment period.

See the *DIO guide* in the Factsheets section at [smartmonday.com.au/Resources-Landing](http://smartmonday.com.au/Resources-Landing)

\* The direct investment option is available to these members up until 22 November 2018, whereupon we will be closing it to new registrations. This means no further registrations to use DIO will be accepted, however existing registered members can continue to use it.

## Investment strategy for defined benefit assets

Defined benefit members do not have a choice of investment options in relation to the accounts supporting their defined benefits. Instead, assets relating to defined benefits are invested in accordance with the investment strategy determined by the trustee (in conjunction with the relevant employer) for the relevant defined asset pool (employer plan) as per the following:

<b>Employer Plan</b>	<b>Current investment strategy</b>
Aon Group Superannuation Plan	Balanced Growth – Active (see page 14)
Corporate Super Plan (formerly the Allianz Australia Superannuation Plan)	75% in Balanced Growth – Active (see page 14) 25% in Moderate – Active (see page 15)
Brisbane Racing Club Superannuation Plan	Balanced Growth – Active (see page 14)
Crane Australia Pty Limited Superannuation Plan	Balanced Growth – Active (see page 14)
Endeavour Foundation Staff Superannuation Plan	Balanced Growth – Active (see page 14)
GEA Process Engineering Australia Superannuation Plan	Balanced Growth – Active (see page 14)
Harsco Rail Superannuation Plan*	Moderate – Active (see page 15)
IMB Defined Benefit Superannuation Plan	Balanced Growth – Active (see page 14)
Isuzu Australia Limited Superannuation Plan	Balanced Growth – Active (see page 14)
Sydney Turf Club Superannuation Plan	Balanced Growth – Active (see page 14)
Teys Bros (Beenleigh) Pty Limited Superannuation Plan	Balanced Growth – Active (see page 14)
Thames Water Asia/Pacific Superannuation Plan	Moderate- Active (see page 15)
United Airlines Inc. Australian Superannuation Plan	Balanced Growth – Index (see page 14)
Yum! Australia Superannuation Plan	Growth – Active (see page 14)

\* Harsco Rail Superannuation Plan's investment strategy was changed from 'Balanced Growth – Active' to 'Moderate – Active' on 28 June 2018.

## Management

The trustee has engaged an asset consultant to monitor and report regularly on the fund's investments. The fund's investments (other than the direct investment option and cash held for meeting daily administrative and benefit expenses) are managed on behalf of the trustee by specialist managers in accordance with the fund's overall investment strategy to achieve the fund's investment objectives. The trustee may seek information from the managers regarding any risks and the expected returns associated with each investment to help determine its suitability for the fund.



## Derivatives and other financial instruments and strategies

The trustee will not usually invest in futures, options and other derivative instruments directly, except as required during the transition of assets to maintain the strategic position in the market.

However, it will permit investment managers to use futures, options and other derivative instruments to assist with the effective management of portfolio assets.

These professional managers each have their own risk management policy statements which specify the use of derivatives. Most managers use derivatives such as options, futures and swaps to hedge (protect) positions, to implement investment positions efficiently and to adjust asset allocation in a cost-effective and timely manner. Some managers use derivatives to add value. For example, a commodity trading specialist trades commodities futures to generate returns.

The trustee obtains and reviews a copy of each investment manager's derivative risk statement.

## Returns

Returns on the fund's managed investment options (including Aon MySuper) are based on the daily unit prices of each option.

The calculation of the unit price for each option is:

$$\frac{\text{Net asset value* (of the relevant option)}}{\text{The number of units on issue to members in that option}}$$

\* Net asset value is equal to the gross asset value (ie market value of the underlying investments and cash at bank for that investment option) as at the close of business on a given day, plus accrued income minus expense recoveries minus investment income tax provisions.

As unit prices change the investment earnings (or losses) for managed investment options in which you are invested are automatically reflected in your account balance.

See your 30 June 2018 benefit statement for:

- the annual return for your selected managed investment options
- details of long-term investment returns for the fund's managed investment options.

Note: Our unit pricing policy conforms to standards issued by government regulators and relevant industry bodies. For more information, see the relevant *Your investment options* guide in the PDS section at [smartmonday.com.au/Resources-Landing](http://smartmonday.com.au/Resources-Landing)

Our unit pricing policy does not apply to the direct investment option (DIO). Members who hold securities via DIO should refer to their annual DIO statement for details of returns on those securities.



# smartMonday PRIME and smartMonday DIRECT

## Investment menu

### Pre-mixed

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- Aon MySuper
  - High Growth – Index
  - High Growth – Active
  - Growth – Index
  - Growth – Active
  - Balanced Growth – Index
  - Balanced Growth – Active
  - Moderate – Index
  - Moderate – Active
  - Defensive – Index
  - Defensive – Active
- 

### Sector

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- Australian Shares – Index
  - Australian Shares – Diversified
  - Australian Shares – Core
  - Australian Shares – Socially Responsible
  - Australian Shares – Opportunities
  - International Shares – Index
  - International Shares – Index (\$A hedged)
  - International Shares – Diversified
  - International Shares – Core
  - International Shares – Core (\$A hedged)
  - International Shares – Emerging Markets
  - Property – Australian Index
  - Property – Diversified
  - Property – Global Listed (\$A hedged)
  - Alternative – Diversified
  - Fixed Interest – Australian Index
  - Fixed Interest – Australian
  - Fixed Interest – International Index (\$A hedged)
  - Fixed Interest – International
  - Fixed Interest – Diversified
  - Cash
- 

## Need advice?

The fund offers choice and the flexibility to structure a portfolio to suit your personal investment style and goals.

Talking to a financial adviser can help you assess your options and make the right investment decisions. If you do not have an adviser, ask us about the financial advice services you can access through the fund. Email us at [enquiries@smartmonday.com.au](mailto:enquiries@smartmonday.com.au) or call us on 1300 880 588.

### Notes

- The above investment menu and the information on pages 12–21 do not include the fund’s direct investment option (DIO) or the investments available through DIO. For information about the objectives and strategies relevant to DIO, see page 7.
- Every care has been taken in the production of the tables on pages 12–21. While the information in them has been obtained from sources that the trustee believes to be reliable, the trustee does not warrant, represent or guarantee the accuracy, adequacy, completeness or fitness for any purpose that the information may be used. The trustee can accept no liability, to the extent permitted by the law, for any loss incurred in any way whatsoever by any person who may rely on it.

# smartMonday PRIME and smartMonday DIRECT

## Investment objectives, strategies and asset allocations for managed investment options

For investment returns and inception dates, please see your 30 June 2018 benefit statement. Investment returns are also available at [smartmonday.com.au](http://smartmonday.com.au). For more information on these investment options, including suggested minimum timeframes and risk/return profiles, see the relevant *Product Disclosure Statement* at [smartmonday.com.au/Resources-Landing](http://smartmonday.com.au/Resources-Landing)

### Aon MySuper

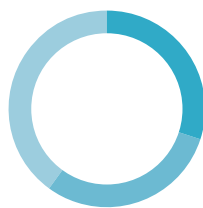
Pre-mixed	High Growth portfolio	Defensive portfolio	High Growth – Index	High Growth – Active
<b>Objectives</b>	To provide a return at least 4% pa above inflation (after fees and taxes) over rolling 15-year periods.*	To provide a return at least 1% pa above inflation (after fees and taxes) over rolling two-year periods.*	To provide a return at least 4% pa above inflation (after fees and taxes) over rolling 15-year periods.	To provide a return at least 4.25% pa above inflation (after fees and taxes) over rolling 15-year periods.
<b>Strategy</b>	Invests 90–100% of the portfolio in growth assets.	Typically invests 100% of the portfolio in defensive assets.	Invests 90–100% of the portfolio in growth assets.	Invests 90–100% of the portfolio in growth assets.

Asset allocation	Target %	Range %	Target %	Range %	Target %	Range %	Target %	Range %
Australian shares	42.5	0–70	0	0–20	46	0–70	44	0–70
International shares	42.5	0–70	0	0–20	46	0–70	44	0–70
Property	7.5	0–30	0	0–20	8	0–30	7	0–30
Alternative–growth	7.5	0–30	0	0–20	0	0–30	5	0–30
<b>Total growth</b>	<b>100</b>	<b>90–100</b>	<b>0</b>	<b>0–20</b>	<b>100</b>	<b>90–100</b>	<b>100</b>	<b>90–100</b>
Alternative–defensive	0	0–10	0	0–40	0	0–10	0	0–10
Aust. fixed interest	0	0–10	57.5	0–90	0	0–10	0	0–10
Int’l fixed interest	0	0–10	42.5	0–90	0	0–10	0	0–10
Cash	0	0–10	0	0–90	0	0–10	0	0–10
<b>Total defensive</b>	<b>0</b>	<b>0–10</b>	<b>100</b>	<b>80–100</b>	<b>0</b>	<b>0–10</b>	<b>0</b>	<b>0–10</b>

### Asset allocations at 30/6/18 (30/6/17)



- Aust. shares 44.9% (45.6%)
- Int’l shares 47.0% (46.3%)
- Property 8.1% (8.1%)



- Aust. fixed interest 30.1% (29.9%)
- Int’l fixed interest 30.0% (30.1%)
- Cash 39.9% (40.0%)



- Aust. shares 46.0% (45.8%)
- Int’l shares 46.3% (47.5%)
- Property 7.7% (6.7%)



- Aust. shares 45.0% (43.5%)
- Int’l shares 43.2% (45.4%)
- Property 7.0% (6.3%)
- Alternative-growth 4.8% (4.8%)

### \* Aon MySuper return target

At any point in time, the return target for a member's investment in Aon MySuper depends on two factors:

- the member's age – this dictates what proportion of the member's assets is invested in each of the two Aon MySuper portfolios, and
- the objective of each portfolio – see the table on page 12.

#### Example

At age 45, 88% of the member's Aon MySuper investment is in the High Growth portfolio and 12% is in the Defensive portfolio. The return target for the member's investment at this age is a corresponding 88/12 mix of the portfolios' objectives:

$$(4\% \times 0.88) + (1\% \times 0.12) = \text{a return target of 3.6\% pa over rolling 10-year periods.}$$

The above example is based on the Aon MySuper lifecycle design that applied up to 30 June 2018.

The Aon MySuper lifecycle design was revised on 1 July 2018 to maximise the growth potential of members' superannuation accounts while maintaining a suitable degree of risk management as members move towards retirement. More specifically the change was to:

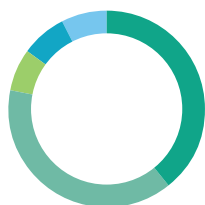
- move a percentage of the member's investment in Aon MySuper into defensive investments at an earlier age
- keep more of the member's investment in Aon MySuper in higher growth investments, for the duration of their investment in Aon MySuper.

This shift in defensive/high growth allocations means that the lifecycle design from 1 July 2018 will deliver a different return target at any given age than the design that was in place up to 30 June 2018.

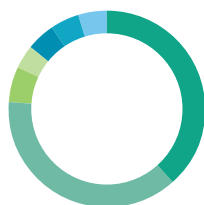
See the *smartMonday PRIME Product Disclosure Statement* at [smartmonday.com.au/Resources-Landing](http://smartmonday.com.au/Resources-Landing) for current Aon MySuper information. To see how a member's investment mix, return target and risk profile will change as they age, use the Aon MySuper Dashboard link at the foot of any [smartmonday.com.au](http://smartmonday.com.au) page.

Pre-mixed	Growth – Index		Growth – Active		Balanced Growth – Index		Balanced Growth – Active	
<b>Objectives</b>	To provide a return at least 3.5% pa above inflation (after fees and taxes) over rolling 12-year periods.		To provide a return at least 3.75% pa above inflation (after fees and taxes) over rolling 12-year periods.		To provide a return at least 3% pa above inflation (after fees and taxes) over rolling 10-year periods.		To provide a return at least 3.25% pa above inflation (after fees and taxes) over rolling 10-year periods.	
<b>Strategy</b>	Invests 80–90% of the portfolio in growth assets and typically 15% in defensive assets.		Invests 80–90% of the portfolio in growth assets and typically 15% in defensive assets.		Invests 60–80% of the portfolio in growth assets and typically 30% in defensive assets.		Invests 60–80% of the portfolio in growth assets and typically 30% in defensive assets.	
<b>Asset allocation</b>	<b>Target %</b>	<b>Range %</b>	<b>Target %</b>	<b>Range %</b>	<b>Target %</b>	<b>Range %</b>	<b>Target %</b>	<b>Range %</b>
Australian shares	39	0–70	37.5	0–70	32	0–70	30	0–70
International shares	39	0–70	37.5	0–70	32	0–70	30	0–70
Property	7	0–30	6	0–30	6	0–30	6	0–30
Alternative–growth	0	0–30	4	0–30	0	0–30	4	0–30
<b>Total growth</b>	<b>85</b>	<b>80–90</b>	<b>85</b>	<b>80–90</b>	<b>70</b>	<b>60–80</b>	<b>70</b>	<b>60–80</b>
Alternative–defensive	0	0–15	5	0–15	0	0–15	5	0–15
Aust. fixed interest	7.5	0–15	5	0–15	12.5	0–30	10	0–30
Int’l fixed interest	7.5	0–15	5	0–15	12.5	0–30	10	0–30
Cash	0	0–15	0	0–15	5	0–30	5	0–30
<b>Total defensive</b>	<b>15</b>	<b>10–20</b>	<b>15</b>	<b>10–20</b>	<b>30</b>	<b>20–40</b>	<b>30</b>	<b>20–40</b>

**Asset allocations at 30/6/18 (30/6/17)**



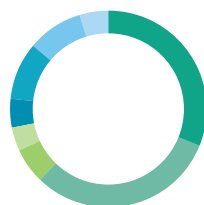
- Aust. shares 39.4% (40.7%)
- Int’l shares 38.8% (39.6%)
- Property 7.0% (6.5%)
- Aust. fixed interest 7.4% (6.5%)
- Int’l fixed interest 7.4% (6.7%)



- Aust. shares 38.6% (37.5%)
- Int’l shares 37.7% (39.2%)
- Property 5.9% (5.5%)
- Alternative-growth 3.8% (3.9%)
- Alternative-defensive 4.7% (4.9%)
- Aust. fixed interest 4.7% (4.4%)
- Int’l fixed interest 4.6% (4.6%)



- Aust. shares 32.3% (32.2%)
- Int’l shares 31.9% (32.8%)
- Property 6.2% (5.9%)
- Aust. fixed interest 12.4% (12.1%)
- Int’l fixed interest 12.3% (12.2%)
- Cash 4.9% (4.8%)



- Aust. shares 31.2% (32.1%)
- Int’l shares 31.1% (32.1%)
- Property 6.0% (5.7%)
- Alternative-growth 3.9% (3.8%)
- Alternative-defensive 4.7% (4.9%)
- Aust. fixed interest 9.3% (8.4%)
- Int’l fixed interest 9.2% (8.9%)
- Cash 4.6% (4.1%)

Pre-mixed	Moderate – Index	Moderate – Active	Defensive – Index	Defensive – Active
<b>Objectives</b>	To provide a return at least 2% pa above inflation (after fees and taxes) over rolling three-year periods.	To provide a return at least 2.25% pa above inflation (after fees and taxes) over rolling three-year periods.	To provide a return at least 1% pa above inflation (after fees and taxes) over rolling two-year periods.	To provide a return at least 1.25% pa above inflation (after fees and taxes) over rolling two-year periods.
<b>Strategy</b>	Invests 20–40% of the portfolio in growth assets and typically 70% in defensive assets.	Invests 20–40% of the portfolio in growth assets and typically 70% in defensive assets.	Typically invests 100% of the portfolio in defensive assets.	Typically invests 100% of the portfolio in defensive assets.

Asset allocation	Target %	Range %	Target %	Range %	Target %	Range %	Target %	Range %
Australian shares	12	0–30	12	0–30	0	0–20	0	0–20
International shares	12	0–30	12	0–30	0	0–20	0	0–20
Property	6	0–30	6	0–30	0	0–20	0	0–20
Alternative–growth	0	0–15	0	0–15	0	0–20	0	0–20
<b>Total growth</b>	<b>30</b>	<b>20–40</b>	<b>30</b>	<b>20–40</b>	<b>0</b>	<b>0–20</b>	<b>0</b>	<b>0–20</b>
Alternative–defensive	0	0–20	10	0–20	0	0–40	5	0–40
Aust. fixed interest	30	0–60	25	0–60	30	0–90	27.5	0–90
Int’l fixed interest	30	0–60	25	0–60	30	0–90	27.5	0–90
Cash	10	0–60	10	0–60	40	10–90	40	10–90
<b>Total defensive</b>	<b>70</b>	<b>60–80</b>	<b>70</b>	<b>60–80</b>	<b>100</b>	<b>80–100</b>	<b>100</b>	<b>80–100</b>

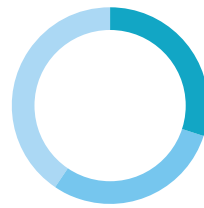
**Asset allocations at 30/6/18 (30/6/17)**



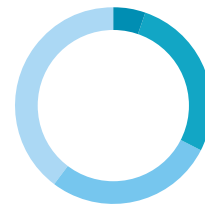
- Aust. shares 12.7% (12.1%)
- Int’l shares 13.2% (12.1%)
- Property 6.7% (6.3%)
- Aust. fixed interest 28.9% (29.5%)
- Int’l fixed interest 29.2% (30.4%)
- Cash 9.3% (9.6%)



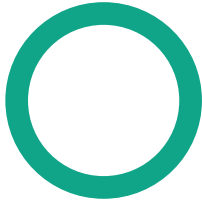
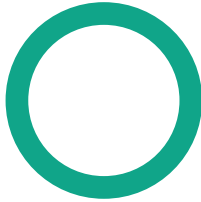
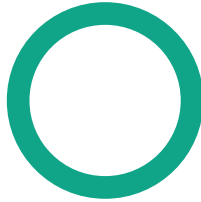
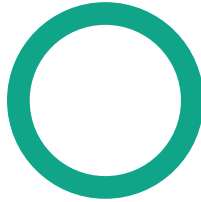
- Aust. shares 13.0% (12.1%)
- Int’l shares 12.4% (11.5%)
- Property 6.5% (6.2%)
- Alternative-defensive 10.2% (10.4%)
- Aust. fixed interest 24.0% (24.6%)
- Int’l fixed interest 24.8% (25.7%)
- Cash 9.1% (9.5%)






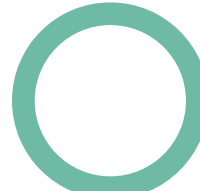
- Aust. fixed interest 30.0% (29.7%)
- Int’l fixed interest 29.7% (29.8%)
- Cash 40.3% (40.5%)



- Alternative-defensive 5.4% (5.3%)
- Aust. fixed interest 27.1% (27.0%)
- Int’l fixed interest 27.9% (27.9%)
- Cash 39.6% (39.8%)

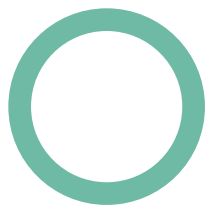
Sector	Australian Shares – Index	Australian Shares – Diversified	Australian Shares – Core	Australian Shares – Socially Responsible
<b>Objectives</b>	To provide a return that closely matches the benchmark return before fees and tax.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling five-year periods.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling five-year periods.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling five-year periods.
<b>Benchmark index</b>	80% S&P/ASX 300 Accumulation Index 20% FTSE/ASFA Australian High Dividend Yield Index	S&P/ASX 300 Accumulation Index	S&P/ASX 300 Accumulation Index	S&P/ASX All Ordinaries Accumulation Index
<b>Strategy</b>	Uses a portfolio construction process to closely match the benchmark risk and return characteristics.	Invests in shares listed on the Australian Securities Exchange and unlisted shares that will be listed within six months or related securities.	Invests in shares listed on the Australian Securities Exchange and unlisted shares that will be listed within six months or related securities.	Predominantly exposed to shares listed or about to be listed on the Australian Securities Exchange. Ethical screens are used to exclude, for example, investment in companies which produce alcohol or tobacco, manufacture or provide gaming facilities, manufacture weapons and armaments, produce adult materials, or which are highly leveraged (eg banks, infrastructure, property trusts).
<b>Benchmark asset allocation</b>	100% Australian shares	100% Australian shares	100% Australian shares	100% Australian shares
<b>Asset allocations at 30/6/18 (30/6/17)</b>	 ● Aust. shares 100% (100%)	 ● Aust. shares 100% (100%)	 ● Aust. shares 100% (100%)	 ● Aust. shares 100% (100%)



Sector	Australian Shares – Opportunities	International Shares – Index	International Shares – Index (\$A hedged)	International Shares – Diversified
<b>Objectives</b>	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling five-year periods.	To provide a return that closely matches the benchmark return before fees and tax.	To provide a return that closely matches the benchmark return before fees and tax.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling five-year periods.
<b>Benchmark index</b>	S&P/ASX 300 Accumulation Index	MSCI World ex Australia Index (unhedged, net dividend reinvested)	MSCI World ex Australia Index (hedged, net dividend reinvested)	MSCI World Index (unhedged, net dividend reinvested)
<b>Strategy</b>	Invests in a concentrated portfolio of shares listed on the Australian Securities Exchange and unlisted shares that will be listed within six months or related securities.	Uses a portfolio construction process to closely match the benchmark risk and return characteristics. No \$A hedging.	Uses a portfolio construction process to closely match the benchmark risk and return characteristics. Full \$A hedging.	Invests in shares listed on stock markets around the world with partial \$A hedging (generally less than 50%).
<b>Benchmark asset allocation</b>	100% Australian shares including unlisted shares that will be listed within six months or related securities	100% international shares	100% international shares	100% international shares including emerging markets
<b>Asset allocations at 30/6/18 (30/6/17)</b>	 <p>● Aust. shares 100% (100%)</p>	 <p>● Int'l shares 100% (100%)</p>	 <p>● Int'l shares 100% (100%)</p>	 <p>● Int'l shares 100% (100%)</p>

Sector	International Shares – Core	International Shares – Core (\$A hedged)	International Shares – Emerging Markets
<b>Objectives</b>	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling five-year periods.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling five-year periods.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling five-year periods.
<b>Benchmark index</b>	MSCI World Index (unhedged, net dividend reinvested)	MSCI World Index (hedged, net dividend reinvested)	MSCI Emerging Markets Index (unhedged, net dividend reinvested)
<b>Strategy</b>	Invests in shares listed on stock markets around the world. No \$A hedging.	Invests in shares listed on stock markets around the world. Full \$A hedging.	Invests in shares listed on stock markets in emerging markets. No \$A hedging.
<b>Benchmark asset allocation</b>	100% international shares including emerging markets	100% international shares including emerging markets	100% international shares in emerging markets

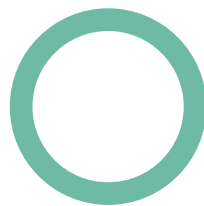
**Asset allocations at 30/6/18 (30/6/17)**






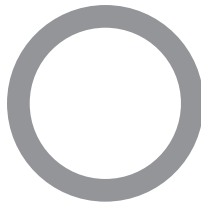
● Int'l shares  
100% (100%)


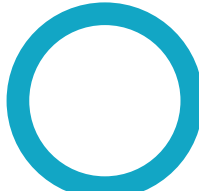
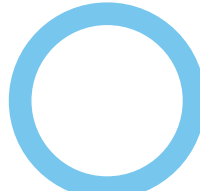
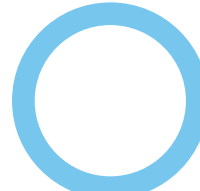


● Int'l shares  
100% (100%)



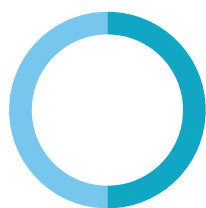
● Int'l shares  
100% (100%)

Sector	Property – Australian Index	Property – Diversified	Property – Global Listed (\$A hedged)	Alternative – Diversified
<b>Objectives</b>	To provide a return that closely matches the benchmark return before fees and tax.	To provide a return that exceeds the benchmark return (before fees and tax) over rolling five-year periods.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling five-year periods.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling five-year periods.
<b>Benchmark index</b>	S&P/ASX 300 A-REIT Accumulation Index	Combination of Australian listed and global listed indices	FTSE EPRA/NAREIT Developed Index (hedged, net dividend reinvested)	Bloomberg AusBond Bank Bill Index
<b>Strategy</b>	Uses a portfolio construction process to closely match the benchmark risk and return characteristics.	Invests in property securities listed, or due to be listed, on the Australian Securities Exchange and developed international markets.	Invests in property trusts and property-related securities listed on developed international markets. Full \$A hedging.	Invests in non-traditional assets such as infrastructure, commodities, hedge funds, absolute return strategies and floating rate securities.
<b>Benchmark asset allocation</b>	100% Australian property securities	50% Australian property securities 50% global listed property	100% global listed property	100% alternative assets
<b>Asset allocations at 30/6/18 (30/6/17)</b>	 <p>● Property 100% (100%)</p>	 <p>● Property 100% (100%)</p>	 <p>● Property 100% (100%)</p>	 <p>● Alternative assets 100% (100%)</p>

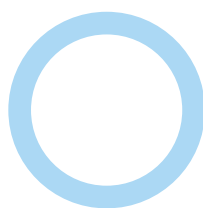
Sector	Fixed Interest – Australian Index	Fixed Interest – Australian	Fixed Interest – Int’l Index (\$A hdg)	Fixed Interest – International
<b>Objectives</b>	To provide a return that closely matches the benchmark return before fees and tax.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling three-year periods.	To provide a return that closely matches the benchmark return before fees and tax.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling three-year periods.
<b>Benchmark index</b>	Bloomberg AusBond Composite Bond Index	Bloomberg AusBond Composite Bond Index	50% Barclays Global Treasury Index (\$A hedged) 50% Barclays Global Aggregate Government-related and Corporate Index (\$A hedged)	Barclays Global Aggregate Index (\$A hedged)
<b>Strategy</b>	Uses a portfolio construction process to approximate the benchmark in a range of risk areas.	Invests predominantly in Australian fixed interest assets with the scope to invest across the credit spectrum both domestically and internationally.	Uses a portfolio construction process to approximate the benchmark in a range of risk areas. Full \$A hedging.	Invests in fixed interest assets across the credit spectrum internationally. Foreign currency exposures are largely hedged back to the Australian dollar.
<b>Benchmark asset allocation</b>	100% Australian fixed interest	Predominantly Australian fixed interest	100% international fixed interest	Predominantly international fixed interest
<b>Asset allocations at 30/6/18 (30/6/17)</b>	 <p>● Aust. fixed interest 100% (100%)</p>	 <p>● Aust. fixed interest 100% (100%)</p>	 <p>● Int’l fixed interest 100% (100%)</p>	 <p>● Int’l fixed interest 100% (100%)</p>

Sector	Fixed Interest – Diversified	Cash
<b>Objectives</b>	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling three-year periods.	To provide a return that exceeds the benchmark return (before fees and tax) over any 12-month period.
<b>Benchmark index</b>	50% Bloomberg AusBond Composite Bond Index 50% Barclays Global Aggregate Index (\$A hedged)	Bloomberg AusBond Bank Bill Index
<b>Strategy</b>	Invests in fixed interest assets across the credit spectrum both in Australia and internationally. Foreign currency exposures in the portfolio are largely hedged back to the Australian dollar.	Invests in short-term securities.
<b>Benchmark asset allocation</b>	50% Australian fixed interest 50% international fixed interest	100% cash and short-term fixed interest securities

**Asset allocations at 30/6/18 (30/6/17)**



- Aust. fixed interest 50% (50%)
- Int'l fixed interest 50% (50%)



- Cash 100% (100%)



# smartMonday PENSION

## Investment menu

### Pre-mixed

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- High Growth – Index
  - High Growth – Active
  - Growth – Index
  - Growth – Active
  - Balanced Growth – Index
  - Balanced Growth – Active
  - Moderate – Index
  - Moderate – Active
  - Defensive – Index
  - Defensive – Active
- 

### Sector

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- Australian Shares – Index
  - Australian Shares – Diversified
  - Australian Shares – Core
  - International Shares – Index
  - International Shares – Index (\$A hedged)
  - International Shares – Diversified
  - International Shares – Core
  - International Shares – Core (\$A hedged)
  - Property – Australian Index
  - Property – Diversified
  - Fixed Interest – Australian Index
  - Fixed Interest – Australian
  - Fixed Interest – International Index (\$A hedged)
  - Fixed Interest – International
  - Fixed Interest – Diversified
  - Cash
- 

## Need advice?

The fund offers choice and the flexibility to structure a portfolio to suit your personal investment style and needs.

Talking to a financial adviser can help you assess your options and make the right investment decisions. If you do not have an adviser, ask us about the financial advice services you can access through the fund. Email us at [enquiries@smartmonday.com.au](mailto:enquiries@smartmonday.com.au) or call us on 1300 880 588.

### Note

Every care has been taken in the production of the tables on pages 24–31. While the information in them has been obtained from sources that the trustee believes to be reliable, the trustee does not warrant, represent or guarantee the accuracy, adequacy, completeness or fitness for any purpose that the information may be used. The trustee can accept no liability, to the extent permitted by the law, for any loss incurred in any way whatsoever by any person who may rely on it.

# smartMonday PENSION

## Investment objectives, strategies and asset allocations for managed investment options available to pension members

For investment returns and inception dates, please see your 30 June 2018 benefit statement. Investment returns are also available at [smartmonday.com.au](http://smartmonday.com.au). For more information on these investment options, including suggested minimum timeframes and risk/return profiles, see the *smartMonday PENSION Product Disclosure Statement* at [smartmonday.com.au/Resources-Landing](http://smartmonday.com.au/Resources-Landing)

### **Note for members who have a transition to retirement pension (TRP)**

**For details of the managed investment options shown on the following pages, members with TRP accounts should refer to the corresponding options shown on pages 12–21.**

On 1 July 2017, earnings on assets in TRP accounts became taxed at the concessional rate of up to 15% that generally applies to amounts held in superannuation. As a result, members' TRP balances were moved from the 'untaxed' investment options shown on the following pages into the corresponding 'taxed' options shown on pages 12–21. The objectives of taxed options take account of the tax on earnings and are therefore slightly lower than those of the untaxed options. Note also that the five pre-mixed Active taxed options provide greater diversification than their untaxed counterparts as they invest small amounts in alternative asset classes.



Pre-mixed	High Growth – Index		High Growth – Active		Growth – Index		Growth – Active	
<b>Objectives</b>	To provide a return at least 4.5% pa above inflation (after fees) over rolling 15-year periods.		To provide a return at least 4.75% pa above inflation (after fees) over rolling 15-year periods.		To provide a return at least 4% pa above inflation (after fees) over rolling 12-year periods.		To provide a return at least 4.25% pa above inflation (after fees) over rolling 12-year periods.	
<b>Strategy</b>	Invests 90–100% of the portfolio in growth assets.		Invests 90–100% of the portfolio in growth assets.		Invests 80–90% of the portfolio in growth assets and typically 15% in defensive assets.		Invests 80–90% of the portfolio in growth assets and typically 15% in defensive assets.	
<b>Asset allocation</b>	<b>Target %</b>	<b>Range %</b>	<b>Target %</b>	<b>Range %</b>	<b>Target %</b>	<b>Range %</b>	<b>Target %</b>	<b>Range %</b>
Australian shares	46	0–70	46.5	0–70	39	0–70	39.5	0–70
International shares	46	0–70	46.5	0–70	39	0–70	39.5	0–70
Property	8	0–30	7	0–30	7	0–30	6	0–30
Alternative–growth	0	0–30	0	0–30	0	0–30	0	0–30
<b>Total growth</b>	<b>100</b>	<b>90–100</b>	<b>100</b>	<b>90–100</b>	<b>85</b>	<b>80–90</b>	<b>85</b>	<b>80–90</b>
Alternative–defensive	0	0–10	0	0–10	0	0–15	0	0–15
Aust. fixed interest	0	0–10	0	0–10	7.5	0–15	7.5	0–15
Int’l fixed interest	0	0–10	0	0–10	7.5	0–15	7.5	0–15
Cash	0	0–10	0	0–10	0	0–15	0	0–15
<b>Total defensive</b>	<b>0</b>	<b>0–10</b>	<b>0</b>	<b>0–10</b>	<b>15</b>	<b>10–20</b>	<b>15</b>	<b>10–20</b>

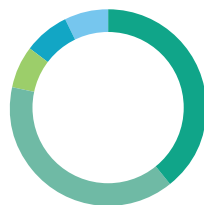
**Asset allocations at 30/6/18 (30/6/17)**



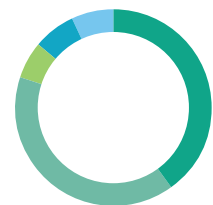
- Aust. shares 44.6% (45.4%)
- Int’l shares 47.0% (46.3%)
- Property 8.4% (8.3%)



- Aust. shares 46.7% (46.4%)
- Int’l shares 46.5% (47.1%)
- Property 6.8% (6.5%)



- Aust. shares 39.3% (38.8%)
- Int’l shares 39.2% (39.9%)
- Property 7.0% (6.8%)
- Aust. fixed interest 7.3% (7.2%)
- Int’l fixed interest 7.2% (7.3%)

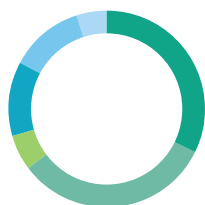


- Aust. shares 40.2% (40.2%)
- Int’l shares 40.1% (41.0%)
- Property 5.9% (5.6%)
- Aust. fixed interest 6.9% (6.5%)
- Int’l fixed interest 6.9% (6.7%)

Pre-mixed	Balanced Growth – Index	Balanced Growth – Active	Moderate – Index	Moderate – Active
<b>Objectives</b>	To provide a return at least 3.5% pa above inflation (after fees) over rolling 10-year periods.	To provide a return at least 3.75% pa above inflation (after fees) over rolling 10-year periods.	To provide a return at least 2.5% pa above inflation (after fees) over rolling three-year periods.	To provide a return at least 2.75% pa above inflation (after fees) over rolling three-year periods.
<b>Strategy</b>	Invests 60–80% of the portfolio in growth assets and typically 30% in defensive assets.	Invests 60–80% of the portfolio in growth assets and typically 30% in defensive assets.	Invests 20–40% of the portfolio in growth assets and typically 70% in defensive assets.	Invests 20–40% of the portfolio in growth assets and typically 70% in defensive assets.

Asset allocation	Target %	Range %	Target %	Range %	Target %	Range %	Target %	Range %
Australian shares	32	0–70	32	0–70	12	0–30	12	0–30
International shares	32	0–70	32	0–70	12	0–30	12	0–30
Property	6	0–30	6	0–30	6	0–30	6	0–30
Alternative–growth	0	0–30	0	0–30	0	0–15	0	0–15
<b>Total growth</b>	<b>70</b>	<b>60–80</b>	<b>70</b>	<b>60–80</b>	<b>30</b>	<b>20–40</b>	<b>30</b>	<b>20–40</b>
Alternative–defensive	0	0–15	0	0–15	0	0–20	0	0–20
Aust. fixed interest	12.5	0–30	12.5	0–30	30	0–60	30	0–60
Int’l fixed interest	12.5	0–30	12.5	0–30	30	0–60	30	0–60
Cash	5	0–30	5	0–30	10	0–60	10	0–60
<b>Total defensive</b>	<b>30</b>	<b>20–40</b>	<b>30</b>	<b>20–40</b>	<b>70</b>	<b>60–80</b>	<b>70</b>	<b>60–80</b>

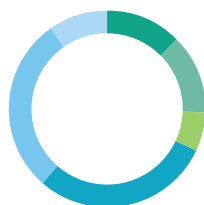
**Asset allocations at 30/6/18 (30/6/17)**



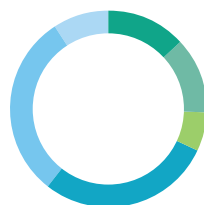
- Aust. shares 32.4% (31.9%)
- Int’l shares 32.4% (33.1%)
- Property 6.0% (5.9%)
- Aust. fixed interest 12.2% (12.1%)
- Int’l fixed interest 12.1% (12.2%)
- Cash 4.9% (4.8%)



- Aust. shares 33.4% (33.4%)
- Int’l shares 32.7% (33.8%)
- Property 5.9% (5.7%)
- Aust. fixed interest 11.7% (11.1%)
- Int’l fixed interest 11.6% (11.6%)
- Cash 4.7% (4.4%)



- Aust. shares 12.7% (12.1%)
- Int’l shares 13.0% (13.9%)
- Property 6.4% (7.0%)
- Aust. fixed interest 29.3% (28.7%)
- Int’l fixed interest 28.9% (29.3%)
- Cash 9.7% (9.0%)

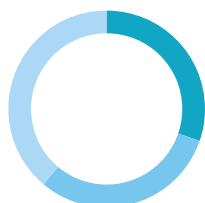


- Aust. shares 13.1% (12.1%)
- Int’l shares 12.5% (11.7%)
- Property 6.5% (6.2%)
- Aust. fixed interest 28.7% (29.7%)
- Int’l fixed interest 30.1% (30.6%)
- Cash 9.1% (9.7%)

Pre-mixed	Defensive – Index	Defensive – Active
<b>Objectives</b>	To provide a return at least 1.5% pa above inflation (after fees) over rolling two-year periods.	To provide a return at least 1.75% pa above inflation (after fees) over rolling two-year periods.
<b>Strategy</b>	Typically invests 100% of the portfolio in defensive assets.	Typically invests 100% of the portfolio in defensive assets.

Asset allocation	Target %	Range %	Target %	Range %
Australian shares	0	0–20	0	0–20
International shares	0	0–20	0	0–20
Property	0	0–20	0	0–20
Alternative–growth	0	0–20	0	0–20
<b>Total growth</b>	<b>0</b>	<b>0–20</b>	<b>0</b>	<b>0–20</b>
Alternative–defensive	0	0–40	0	0–40
Aust. fixed interest	30	0–90	30	0–90
Int’l fixed interest	30	0–90	30	0–90
Cash	40	10–90	40	10–90
<b>Total defensive</b>	<b>100</b>	<b>80–100</b>	<b>100</b>	<b>80–100</b>

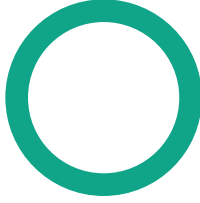
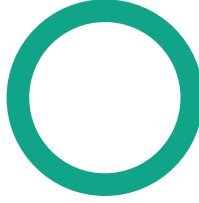
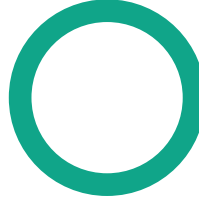
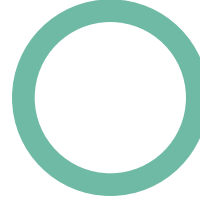
**Asset allocations at 30/6/18 (30/6/17)**

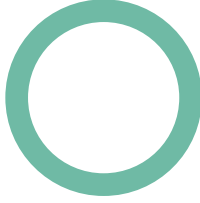
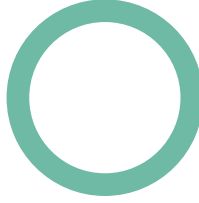
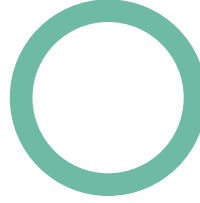
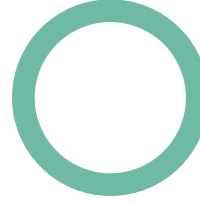




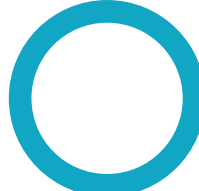
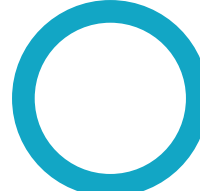
- Aust. fixed interest 30.5% (30.1%)
- Int’l fixed interest 30.8% (30.4%)
- Cash 38.7% (39.5%)

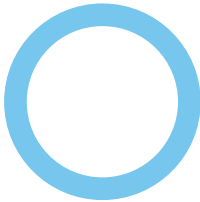
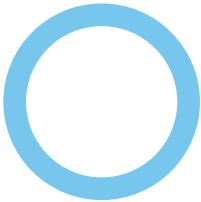
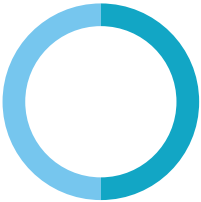



- Aust. fixed interest 29.7% (29.6%)
- Int’l fixed interest 30.4% (30.3%)
- Cash 39.9% (40.1%)

Sector	Australian Shares – Index	Australian Shares – Diversified	Australian Shares – Core	International Shares – Index
<b>Objectives</b>	To provide a return that closely matches the benchmark return before fees and tax.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling five-year periods.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling five-year periods.	To provide a return that closely matches the benchmark return before fees and tax.
<b>Benchmark index</b>	80% S&P/ASX 300 Accumulation Index 20% FTSE/ASFA Australian High Dividend Yield Index	S&P/ASX 300 Accumulation Index	S&P/ASX 300 Accumulation Index	MSCI World ex Australia Index (unhedged, net dividend reinvested)
<b>Strategy</b>	Uses a portfolio construction process to closely match the benchmark risk and return characteristics.	Invests in shares listed on the Australian Securities Exchange and unlisted shares that will be listed within six months or related securities.	Invests in shares listed on the Australian Securities Exchange and unlisted shares that will be listed within six months or related securities.	Uses a portfolio construction process to closely match the benchmark risk and return characteristics. No \$A hedging.
<b>Benchmark asset allocation</b>	100% Australian shares	100% Australian shares	100% Australian shares	100% international shares
<b>Asset allocations at 30/6/18 (30/6/17)</b>	 <ul style="list-style-type: none"> <li>● Aust. shares 100% (100%)</li> </ul>	 <ul style="list-style-type: none"> <li>● Aust. shares 100% (100%)</li> </ul>	 <ul style="list-style-type: none"> <li>● Aust. shares 100% (100%)</li> </ul>	 <ul style="list-style-type: none"> <li>● Int'l shares 100% (100%)</li> </ul>

Sector	International Shares – Index (\$A hedged)	International Shares – Diversified	International Shares – Core	International Shares – Core (\$A hedged)
<b>Objectives</b>	To provide a return that closely matches the benchmark return before fees and tax.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling five-year periods.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling five-year periods.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling five-year periods.
<b>Benchmark index</b>	MSCI World ex Australia Index (hedged, net dividend reinvested)	MSCI World Index (unhedged, net dividend reinvested)	MSCI World Index (unhedged, net dividend reinvested)	MSCI World Index (hedged, net dividend reinvested)
<b>Strategy</b>	Uses a portfolio construction process to closely match the benchmark risk and return characteristics. Full \$A hedging.	Invests in shares listed on stock markets around the world with partial \$A hedging (generally less than 50%).	Invests in shares listed on stock markets around the world. No \$A hedging.	Invests in shares listed on stock markets around the world. Full \$A hedging.
<b>Benchmark asset allocation</b>	100% international shares	100% international shares including emerging markets	100% international shares including emerging markets	100% international shares including emerging markets
<b>Asset allocations at 30/6/18 (30/6/17)</b>	 <p>● Int'l shares 100% (100%)</p>	 <p>● Int'l shares 100% (100%)</p>	 <p>● Int'l shares 100% (100%)</p>	 <p>● Int'l shares 100% (100%)</p>

Sector	Property – Australian Index	Property – Diversified	Fixed Interest – Australian Index	Fixed Interest – Australian
<b>Objectives</b>	To provide a return that closely matches the benchmark return before fees and tax.	To provide a return that exceeds the benchmark return (before fees and tax) over rolling five-year periods.	To provide a return that closely matches the benchmark return before fees and tax.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling three-year periods.
<b>Benchmark index</b>	S&P/ASX 300 A-REIT Accumulation Index	Combination of Australian listed and global listed indices	Bloomberg AusBond Composite Bond Index	Bloomberg AusBond Composite Bond Index
<b>Strategy</b>	Uses a portfolio construction process to closely match the benchmark risk and return characteristics.	Invests in property securities listed, or due to be listed, on the Australian Securities Exchange and developed international markets.	Uses a portfolio construction process to approximate the benchmark in a range of key risk areas.	Invests predominantly in Australian fixed interest assets with the scope to invest across the credit spectrum both domestically and internationally.
<b>Benchmark asset allocation</b>	100% Australian property securities	50% Australian property securities 50% global listed property	100% Australian fixed interest	Predominantly Australian fixed interest
<b>Asset allocations at 30/6/18 (30/6/17)</b>	 <p>● Property 100% (100%)</p>	 <p>● Property 100% (100%)</p>	 <p>● Aust. fixed interest 100% (100%)</p>	 <p>● Aust. fixed interest 100% (100%)</p>

Sector	Fixed Interest – Int'l Index (\$A hdg)	Fixed Interest – International	Fixed Interest – Diversified	Cash
<b>Objectives</b>	To provide a return that closely matches the benchmark return before fees and tax.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling three-year periods.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling three-year periods.	To provide a return that exceeds the benchmark return (before fees and tax) over any 12-month period.
<b>Benchmark index</b>	50% Barclays Global Treasury Index (\$A hedged) 50% Barclays Global Aggregate Government-related and Corporate Index (\$A hedged)	Barclays Global Aggregate Index (\$A hedged)	50% Bloomberg AusBond Composite Bond Index 50% Barclays Global Aggregate Index (\$A hedged)	Bloomberg AusBond Bank Bill Index
<b>Strategy</b>	Uses a portfolio construction process to approximate the benchmark in a range of key risk areas. Full \$A hedging.	Invests in fixed interest assets across the credit spectrum internationally. Foreign currency exposures are largely hedged back to the Australian dollar.	Invests in fixed interest assets across the credit spectrum both in Australia and internationally. Foreign currency exposures in the portfolio are largely hedged back to the Australian dollar.	Invests in short-term securities.
<b>Benchmark asset allocation</b>	100% international fixed interest	Predominantly Australian fixed interest	50% Australian fixed interest 50% international fixed interest	100% cash and short-term fixed interest securities
<b>Asset allocations at 30/6/18 (30/6/17)</b>	 <ul style="list-style-type: none"> <li>Int'l fixed interest 100% (100%)</li> </ul>	 <ul style="list-style-type: none"> <li>Int'l fixed interest 100% (100%)</li> </ul>	 <ul style="list-style-type: none"> <li>Aust. fixed interest 50% (50%)</li> <li>Int'l fixed interest 50% (50%)</li> </ul>	 <ul style="list-style-type: none"> <li>Cash 100% (100%)</li> </ul>





# Investment markets in 2017/18

With a strong start, a bumpy patch in the middle, and a strong finish, markets broadly (and global markets in particular) delivered good results for investors in 2017/18.

## A strong start

The first half of the year was positive with the announcement of good US earnings results, improving US and European economic data, stronger commodity prices, the approval of President Trump's US tax cuts plan, the election results in Germany and Japan, and general optimism around global growth.

This positivity was only mildly dampened by concerns over the US Federal Reserve's measured wind back of its massive post-GFC balance sheet, President Trump failing to push through his healthcare reforms, and speculation of interest rate hikes in the UK. Even ongoing low inflation in the US, renewed political uncertainty in Europe, and North Korea's nuclear arms capability claims did not notably impact the upward trajectory of markets.

## A bumpy patch

Share markets had a strong start to 2018 thanks to further encouraging US earnings results and evidence of global economic activity gathering pace. However, in February news of unexpectedly high US wages growth sparked fears of accelerated interest rate increases, pushing share markets down and bond yields up.

Following a recovery in late February, markets were then unsettled by allegations of Russian interference in the 2016 US presidential election, further US political uncertainty and, most significantly, global trade tensions after the US announced tariffs on a range of imports, particularly from China.

## A strong finish

Positive influences late in the year included more encouraging US earnings results and jobs data, stronger commodity prices, China's economic expansion, and the European Central Bank's intention to leave interest rates on hold.

Share markets ended the year strongly despite political risk in Italy, escalation in US/China trade tensions, an accelerated US rate hike agenda, and lower-than-expected Japanese growth.

Closer to home, Australian shares delivered a solid return and Australian bonds out-performed global bonds. While ongoing low interest rates helped both bonds and Australian commercial property, they also kept cash returns low.

Aon Hewitt has adapted the above investment markets summary from *Annual market update July 2018* by Russell Investments, [russellinvestments.com/au](http://russellinvestments.com/au). Adapted with permission.

This investment markets summary and the market performance for the year ended 30 June 2018 relate to investment markets as a whole and not the fund's investments.

## Market performance for year ended 30 June 2018

Market	Return	Index
Australian shares	13.2%	S&P/ASX 300
Global shares (\$A hedged)	12.3%	Russell Developed Large Cap Total Return (AUD hedged)
Global shares (\$A unhedged)	16.1%	Russell Developed Large Cap Total Return USD
Australian listed property	13.2%	S&P/ASX 300 A-REIT
Global property	7.5%	FTSE EPRA NAREIT Developed Total Return (AUD hedged)
Australian fixed interest	3.1%	S&P/ASX Australian Fixed Interest Index Total Return
Global fixed interest	1.9%	Barclays Global Aggregate Total Return (AUD hedged)
Cash	1.8%	S&P/ASX Bank Bill Index Total Return

Past performance should not be considered a guide to future performance.

# Reserves

The trustee maintains the following reserves within the fund.

## Operational risk reserve (ORR)

The Australian Prudential Regulation Authority requires super fund trustees to 'reserve' monies which can be drawn on to address losses to members or beneficiaries arising from operational risk. The trustee of the Aon Master Trust maintains an ORR for this purpose and operates it in line with an Operational Risk Financial Requirement Strategy.

The target ORR amount has been determined by the trustee as 0.25% of the fund's net assets (except for the insurance-only products). The target amount for each insurance-only product is 0.75% of the product's annual in-force premiums as measured at the end of each calendar quarter.

The ORR is invested in the fund's operating bank account and in a managed cash account (currently, the Vanguard Cash Reserve Fund). The ORR is funded by interest and returns earned on the reserve.

The ORR may also be funded via a deduction that is taken into account in the calculation of unit prices for the fund's managed investment options and, for superannuation members with investments via the DIO, a deduction from the cash account that is maintained in respect of DIO investments. For defined benefit members, funding for the ORR is via deductions from any investment earnings associated with those notional and (if any) voluntary additional accounts maintained in respect of defined benefit members. In relation to insurance-only products, the ORR may be funded by future tax deductions arising from insurance premiums paid by non-concessional contributions.

The ORR may also be funded via unused amounts in expense recovery and tax accrual accounts, where the trustee considers it necessary or appropriate. The funding methodology will be

reviewed if the ORR falls below 90% of the target ORR amount. The level of the ORR is reviewed each year.

## Trustee expense reserve (TER)

The trustee maintains a TER to pay for trustee expenses. The TER is invested in the fund's operating bank account. On an annual basis, the TER is funded via a 0.07% per annum deduction that is taken into account in the calculation of unit prices for the fund's managed investment options, the difference between tax incurred by individual members and the net position of the fund in relation to the direct investment option, and interest earned on this reserve. The TER was also funded in 2017 by a share in the tax benefit that arose on the transfer in of the AIA insurance-only fund in recognition of the assessable income provided by contributions made to the fund by the existing membership. The level of the TER is reviewed by the trustee each year.

## AIA expense reserve (AIAER)

The AIAER was established during the 2016/17 financial year in respect of the AIA Insurance Super Scheme No. 2. The AIAER is invested in the fund's operating bank account and is not currently receiving any further funding. The AIAER was funded in 2017 from a tax benefit that became available solely as a result of the assessable income provided by contributions made to the fund by existing Aon Master Trust members. It is used to cover administration and professional expenses, improvements to benefits in respect of individuals who transferred into the AIA Insurance Super Scheme No. 2 via successor fund transfer, future members of the Scheme and any additional ongoing project costs associated with the Scheme.

## Reserve balances for the last three financial years

Reserve	Balance (\$'000)		
	30 June 2018	30 June 2017	30 June 2016
Operational risk reserve	8,834	8,446	7,498
Trustee expense reserve	11,383	11,797	287
AIA expense reserve	4,477	5,470	N/A

# Financial summary

The abridged financial statements below are a summary of the fund's audited financial statements for the years ended 30 June 2018 and 2017.

The full audited accounts are available online at [smartmonday.com.au/governance.aspx](http://smartmonday.com.au/governance.aspx) or you can contact us if you would like a copy.

Statement of financial position	At 30 June 2018 (\$'000)	At 30 June 2017 (\$'000)
Investments <sup>1</sup>		
– Unlisted unit trusts	3,347,626	3,107,921
– Direct investment option	5,475	5,117
Cash and cash equivalents		
– Cash at bank	38,828	31,193
– Cash with custodian	15,010	12,368
All other assets including accrued income, deferred tax assets and other receivables <sup>2</sup>	62,587	130,333
<b>Total assets</b>	<b>3,469,526</b>	<b>3,286,932</b>
Benefits and other payables	18,798	22,962
Deferred tax liabilities <sup>2</sup>	38,875	25,769
<b>Total liabilities (excluding member benefits)</b>	<b>57,673</b>	<b>48,731</b>
<b>Net assets available for member benefits</b>	<b>3,411,853</b>	<b>3,238,201</b>
Defined contribution member liabilities <sup>3</sup>	3,210,562	3,037,459
Defined benefit member liabilities <sup>3</sup>	126,797	132,451
<b>Total member liabilities</b>	<b>3,337,359</b>	<b>3,169,910</b>
<b>Total net assets</b>	<b>74,494</b>	<b>68,291</b>
<b>Total equity</b>	<b>74,494</b>	<b>68,291</b>

1 See next page for further detail of investments in unlisted unit trusts and the direct investment option.

2 The 30 June 2017 figure has been restated to separate deferred tax assets and deferred tax liabilities.

3 The 30 June 2017 financial statements incorrectly included the defined contribution balances of hybrid members in the total defined benefit accrued balance rather than disclosing the defined contribution and defined benefit balances separately. This has been corrected by restating the 30 June 2017 figures in each of the affected financial statement line items.

**Investments in unlisted unit trusts  
and the direct investment option**

	At 30 June 2018 (\$'000)	At 30 June 2017 (\$'000)
Australian equity	1,122,696	1,030,712
International equity	1,075,306	945,854
Australian property	173,430	161,522
International property	41,906	41,508
Alternative – Growth	17,443	16,583
Alternative – Defensive	2,637	4,962
Australian fixed income	347,513	349,177
International fixed income	299,925	295,836
Australian cash	272,245	266,884
<b>Total</b>	<b>3,353,101</b>	<b>3,113,038</b>

	Year ended 30 June 2018 (\$'000)	Year ended 30 June 2017 (\$'000)
<b>Statement of changes in member benefits</b>		
<b>Opening balance of member benefits</b>	<b>3,169,910</b>	<b>2,974,218</b>
Contributions and rollovers	438,558	358,668
Income tax on contributions	1,089	(19,823)
Superannuation contribution surcharge	–	(8)
<b>Net after tax contributions</b>	<b>439,647</b>	<b>338,837</b>
Benefits payments	(384,183)	(346,293)
Insurance premiums charged to members' accounts	(199,950)	(65,291)
Death and disability benefits credited to members' accounts	50,489	29,168
Benefits allocated to members' accounts, comprising net investment income and administration fees <sup>1</sup>	250,197	236,666
Reserve transferred to/(from) members:		
– Operational risk reserve	19	28
– Unallocated surplus/(deficiency)	(2,258)	(1,902)
AIA premium rebate	6,223	–
Transfer to AIA reserve	68	–
Other operating income	10	202
Net change in defined benefit member accrued benefits <sup>1</sup>	7,187	4,277
<b>Closing balance of member benefits</b>	<b>3,337,359</b>	<b>3,169,910</b>

<sup>1</sup> The 30 June 2017 financial statements incorrectly included the defined contribution balances of hybrid members in the total defined benefit accrued balance rather than disclosing the defined contribution and defined benefit balances separately. This has been corrected by restating the 30 June 2017 figure.

<b>Statement of changes in equity</b>	<b>Year ended 30 June 2018</b> <b>(\$'000)</b>	<b>Year ended 30 June 2017</b> <b>(\$'000)</b>
<b>Opening balance of equity</b>	<b>68,291</b>	<b>36,863</b>
Net transfers to/from defined contribution member accounts	2,238	1,874
Net transfers to/from defined benefit member accounts	–	–
AIA tax benefit	–	–
AIA premium rebate	(68)	(6,223)
Operating results	4,033	35,777
<b>Closing balance of equity</b>	<b>74,494</b>	<b>68,291</b>

# Governance and transparency

## The trustee

The trustee of the fund, Equity Trustees Superannuation Limited ABN 50 055 641 757, holds an Australian Financial Services Licence AFSL 229757 and a Registrable Superannuation Entity Licence RSE Licence L0001458 issued by the Australian Prudential Regulation Authority (APRA). The trustee is also authorised by APRA to issue a MySuper product (Identifier No 68964712340201).

The trustee is committed to trying to provide members of the fund with superannuation and pension products that meet their needs and to maintaining their best interests in its decision-making and strategy process.

Through its board of directors, the trustee is responsible for the fund's strategic direction, compliance with legislation, regulations and superannuation prudential standards, and adherence to its trust deed and rules.

## Trustee board

On 3 November 2017, Aon Superannuation Pty Limited ABN 83 057 982 822 AFSL 237465 was replaced as trustee of the fund by Equity Trustees Superannuation Limited.

Trustee directors during the year ended 30 June 2018 were:

### Aon Superannuation Pty Limited (to 3 November 2017)

- Frank Argent
- Steven Clarke
- Giselle Collins – independent director and chairman
- Jennifer Dean
- Jim Humphrey – independent director
- Michael Murphy
- Janice Sengupta

As Aon Superannuation Pty Limited did not employ any staff, all the directors were 'non-executive' as defined in the superannuation prudential standards. Three of the directors were employees of Aon Hewitt Limited and two directors met the prudential standards' definition of 'independent'. See the latest audited accounts at [smartmonday.com.au/governance.aspx](http://smartmonday.com.au/governance.aspx) for details of payments made to directors.

### Equity Trustees Superannuation Limited (from 3 November 2017)

- Mark Blair – executive director
- John Crocker – non-executive director and chairman (retired 14 June 2018)
- Tony Lally – non-executive director and chairman (appointed 1 June 2018)
- Michael O'Brien – managing director
- Catherine Robson – non-executive director
- Ellis Varejes – non-executive director

Current directors' profiles, including remuneration details, are available at [ETSL Registrable Superannuation Entity Disclosures at eqt.com.au](http://ETSL Registrable Superannuation Entity Disclosures at eqt.com.au)

## Documents and disclosures

With its focus on always acting in the best interests of members, the trustee is committed to managing the fund with the highest levels of governance, transparency and accountability.

In line with that commitment, the trustee makes further information available online and/or on request to us, including the following:

### ETSL Registrable Superannuation Entity Disclosures

- Conflicts management framework
- Proxy voting policies
- Register of relevant interests and register of relevant duties
- Constitution
- Board meeting attendance

### smartmonday.com.au

- Trust Deed and amending deeds
- Product Disclosure Statements
- Defined fees
- Aon MySuper dashboard
- Investment returns
- Latest audited accounts and auditor's report
- Register of significant events
- Significant event notices
- Outsourced providers

Defined benefit members can also request a copy of the latest actuarial report for their plan.

## Compliance

The fund is administered at all times to comply with provisions contained in the Superannuation Industry (Supervision) Act 1993 and Regulations, the Corporations Act 2001 and Regulations, and other superannuation laws.

Various supervisory functions are carried out by the Australian Prudential Regulation Authority (APRA), the Australian Securities and Investments Commission (ASIC) and/or the Australian Taxation Office (ATO).

The trustee is not aware of any matter that would cause the fund to lose its complying status and expects to continue to comply with all relevant legislation.

## Indemnity insurance

The trustee has the benefit of professional indemnity insurance cover to protect the trustee, its directors and the fund, subject to the terms and conditions of the relevant insurance policy.

## Trust deed changes and significant events

The fund was established by a trust deed dated 25 June 1990 and this deed has been amended from time to time. The trust deed was amended during the 2017/18 year to require the trustee's consent before appointment of a new trustee.

Significant events during the financial year ended 30 June 2018 were:

- the increase in the annual member fee from \$85.68 to \$87.48<sup>1</sup> effective 1 July 2017
- in smartMonday DIRECT, the increase in minimum level cover for death and total and permanent disablement (TPD) effective 1 July 2017 from \$288,784 to \$294,848<sup>2</sup> up to age 42 inclusive, reducing to nil at age 65
- in smartMonday PRIME, the increase in minimum level cover effective 1 July 2017 as follows:
  - death cover: from \$288,784 to \$294,848<sup>2</sup> to age 24, and from \$410,468 to \$419,088<sup>3</sup> from age 25 to 42, reducing to nil at age 70
  - TPD cover: from \$410,468 to \$419,088<sup>3</sup> to age 42, reducing to nil at age 70
- insurance improvements and new premium rates effective 1 July 2017
- the Federal Government's superannuation and pension tax changes effective 1 July 2017
- the replacement of Aon Superannuation Pty Limited as trustee of the fund by Equity Trustees Superannuation Limited effective 3 November 2017.

<sup>1</sup> Increased to \$89.52 effective 1 July 2018. Some employer plans in smartMonday PRIME may have a different fee structure.

<sup>2</sup> Increased to \$300,450 effective 1 July 2018.

<sup>3</sup> Increased to \$427,051 effective 1 July 2018.

## Privacy policies

The trustee and Aon are committed to protecting your personal information and complying with the Australian Privacy Principles under the Privacy Act 1988 (Cth). For details, go to:

- Equity Trustees Privacy Statement at [eqt.com.au/global/privacystatement](http://eqt.com.au/global/privacystatement)
- Aon Australia Group Privacy Policy Statement at [smartmonday.com.au/privacy](http://smartmonday.com.au/privacy)

## Complaints resolution

We take complaints very seriously and will do our best to make things right. Call us on 1300 880 588 or put your complaint in writing to:

Enquiries Officer  
smartMonday  
PO Box 1949  
Wollongong NSW 2500

If you're not satisfied with our handling of your complaint, or a response is not provided within 90 days, you may be able to refer the matter to the Australian Financial Complaints Authority (AFCA).

You can contact the AFCA at:

Australian Financial Complaints Authority  
GPO Box 3, Melbourne VIC 3001  
Phone: 1800 931 678  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Online: [www.afca.org.au](http://www.afca.org.au)

## Policy committees

Under superannuation law, each employer plan within the fund that has more than 49 members is required to have a policy committee. Plans with between five and 49 members must have a committee only if five or more members require so. Employer plans are groups of employees of a particular employer sponsor participating in the fund, which may or may not be subject to some special arrangements (for example, special arrangements may include tailored insurance cover or defined benefit arrangements) and only exist in smartMonday PRIME.

A policy committee is made up of employer and member representatives. While a policy committee cannot make decisions that affect the employer plan, it plays an important role as a link between the trustee, the members and employer-sponsors.

It gives members the opportunity, through their representatives, to ask questions about their employer plan's operation, investment strategy and performance, and member communications. Similarly, the trustee can ask a policy committee to obtain the views of members and the employer, and to help with enquiries and complaints.

Many of the fund's employer plans have established a policy committee. See pages 41–42 for details of the representatives of each policy committee as at 30 June 2018.



<b>Employer</b>	<b>Employer Plan</b>	<b>Elected by Employer Plan members</b>	<b>Appointed by the Employer</b>
Aggreko Generator Rentals Pty Ltd	Aggreko Superannuation Fund	Simon Murphy Adam Lee	Stuart Cann
Allianz Australia Limited	Corporate Super Plan (formerly Allianz Australia Superannuation Plan)	Tracy Hancock Matthew Millener	Michael Jury Deborah Ha
Amgen Australia Pty Limited	Amgen Australia Superannuation Fund	Vacant	Gary McNeil Anton Johan Verheul Brian Cohen
Aon Services Pty Ltd	Aon Group Superannuation Plan	Matthew Brown Tracy Harris Arohaina Owen	Raymond Van Dam Peter Gooding Fedra Santorinos
Armstrong World Industries (Australia) Pty Ltd	AWIA (AFP) Superannuation Plan and AWI (ABP) Superannuation Plan	Barbara Angus Stephen Coleman	Michael Jenkins Terence Condron
Burder Materials Handling	Burder Group Superannuation Plan	Neil Chandler Dave Jarrott	George Fendyk Sue Fendyk
CA Technologies	CA Technologies Superannuation Plan	Susan Bakewell	Paul Wallace David Gleeson Melinda Walsh
Clariant (Australia) Pty Ltd	Clariant Australia Superannuation Plan	Andrew Forward Adam Mandicos	Olga Latsis Jarna Kelly
DHL Supply Chain (Australia) Pty Limited	DHL Danzas Superannuation Plan	Bridie Waldron Kim Rider	Graeme Cox Nick Verrecchia Tony Boll
Electrolux Home Products Pty Ltd	Electrolux Home Products Superannuation Plan	Ian Flynn Geoff Maxon	Farnaz Farhadi Craig Fry
Endeavour Foundation	Endeavour Foundation Staff Superannuation Plan	Miranda Coulch Drew Kelly Rick Guy	Renee Lamont Kristi Minehan
Energy Power Systems Australia Pty Limited	Energy Power Systems Superannuation Fund	Bob King	Alan Evans
Genetics Australia Co-operative Ltd	Genetics Australia Superannuation Plan	Graham Hooper	Robert Demarchi
Insight Enterprises Australia Pty Ltd	The Insight Staff Superannuation Plan	Ivana Cooper Putli Johnston	Ian Pendleton Kristin Keyes Marea Phillips
Isuzu Australia Limited	Isuzu Australia Limited Superannuation Plan	James Campbell Dean Whiteford	Craig Chalmers Aninka Morhall

<b>Employer</b>	<b>Employer Plan</b>	<b>Elected by Employer Plan members</b>	<b>Appointed by the Employer</b>
"K" Line (Australia) Pty Ltd	"K" Line (Australia) Staff Superannuation Plan	Kristy Elms Corey White Azadeh Souresrafil Jordan Bunce	Alan Miles Chris Wareham Craig Sayer
Masterton Homes Pty Ltd	Masterton Homes Superannuation Plan	Elaine Tompkins Graham Downes Bob Hemel	Lorraine Fairbrother Steve Fallon Sandra Taylor
MinterEllison	Minter Ellison Superannuation Plan	Michael Barr-David Franki Ganter Ben Cockerill Tony Dhar	None
Paradise Foods Limited	Paradise Food Superannuation Fund	Diane Bowron Wendy Chudasko	Jim Syberstsma Nik Wyman
Serco Group plc	Serco Superannuation Plan	Christopher Coleman	Barry Davis Ian Poulter Sonia La Pena
Singapore Airlines Limited	Singapore Airlines Superannuation Plan	Colleen Thompson Marnie Scrogings Jessie Quek Leanne Jones Betsy Anbalagan	Tiow Kor Tan Kieron O'Toole Myrla Igonia Shum Velu
Fox Sports Pty Limited	Fox Sports Australia Superannuation Plan	Michael Nicholls Ian Collis Zana Cox	Neil Corkin Christina Allen Fiona Cottrell
Thomas Warburton Pty Ltd	Thomas Warburton Superannuation Plan	Alfredo Sabatino Werner Laozik	Kerry Nicholl Rose Vargiu
Veolia	Veolia Environment Australia Superannuation Plan	Bill Zoubourlis Suzanne Kallenbach Ralph Freda Preet Brar Mandy Walker Dianne Rumley Kim Beardsmore Helena Silva	Reg Wallin Ian Gaffney Julia Taranto Deborah Bold Julien Bartolone
Wallenius Wilhelmsen Logistics	Wallenius Wilhelmsen Lines Superannuation Plan	Peter Buykx Tiben Arun	Mark Guscott Karen Radford
Wesleyan Methodist Church of Australia	Wesleyan Methodist Church Superannuation Plan	Rev. Stanley Baker Rev. David Collins	David Logan Frank Carroll
Yum! Restaurants Australia Pty Limited	Yum! Restaurants Superannuation Plan	Maria Sieckman Leon Macree	Sue Stanton Helen Dawtrey

# More information

## Surcharge

The surcharge tax was abolished for contributions made after 1 July 2005. This will not, however, affect any existing or previous surcharge tax liability you may have incurred. There were no payments of surcharge to the Australian Taxation Office during the year ended 30 June 2018.

See your annual benefit statement for more information on the surcharge and your surcharge account (if any).

## Automatic transfers to the Aon Eligible Rollover Fund (ERF)

There are situations in which your account balance in the fund (excluding smartMonday PENSION accounts) may be automatically transferred to the Aon ERF, as follows.

### smartMonday PRIME

If you leave your employer and your account balance in smartMonday PRIME is less than \$5,000, we will notify you that your balance will be transferred to the Aon ERF unless, within 60 days from the date of our notification, you do one of the following:

- increase your account balance to \$5,000, **or**
- start making regular contributions to your account, **or**
- provide instructions about where to pay your benefit.

### smartMonday DIRECT

Your account balance may be transferred to the Aon ERF if:

- you have been a member of smartMonday DIRECT for more than 12 months, **and**
- your account balance in smartMonday DIRECT falls below the minimum of \$2,000, **and**
- the last contribution or rollover was made to your account more than 12 months ago, **and**
- you are not an active insurance claimant.

Before transferring your account balance, we will write to you to explain what you can do if you wish your account balance to remain in smartMonday DIRECT.

## Consequences of being transferred to the Aon ERF

If your account balance is transferred to the Aon ERF, you will cease to be a member of the fund and all benefits in the fund will cease, including insurance benefits. You will become a member of the Aon ERF, subject to the Aon ERF's governing rules, and your account balance in the Aon ERF will be invested in a defensive investment strategy, which is likely to produce lower long-term investment returns than a balanced or growth strategy. Your Aon ERF account will receive investment earnings and be subject to fees and costs as applicable to the Aon ERF and its investment strategy.

Subject to preservation rules, you can claim your benefit from the Aon ERF at any time. See the *Directory* on page 46 for Aon ERF contact details.

### Insurance-only products

If you are a member of an insurance-only product, see pages 44–45 for the situations in which you may be transferred to the Aon ERF.

## Unclaimed super

If your benefit in the fund or the Aon ERF becomes unclaimed super it may be transferred to the Australian Taxation Office (ATO). Please see 'ATO-held super' on the ATO website at [ato.gov.au](http://ato.gov.au) for more information.

# Insurance-only products

Members of the fund's insurance-only products should note the following information which replaces, or supplements, information contained in this annual report.

## AIA Insurance Super Scheme No.2 (the Scheme)

### Investments and policy committees

The investment and policy committee information in this annual report does not apply to your membership. Contributions to the Scheme are used solely to pay your insurance premiums and are not invested on your behalf. Policy committees apply only to certain employer plans within the fund.

### Complaints resolution (page 40)

If you wish to make a complaint, please call 1800 333 613 and ask to speak to the Scheme Complaints Officer or write to:

Complaints Officer  
AIA Insurance Super Scheme No.2  
c/- Equity Trustees Superannuation Limited  
PO Box 810  
South Melbourne Vic 3205

### Directory (page 46)

#### > General enquiries

Fund Administrator  
AIA Insurance Super Scheme No.2  
c/- Insurance & Superannuation Administration Services Pty Ltd  
PO Box 810  
South Melbourne Vic 3205  
Phone (03) 9621 7120  
Email enquiries@iasas.com.au

#### > Administrator

Aon Hewitt Limited  
ABN 48 002 288 646  
with majority of administration services outsourced to:  
Insurance & Superannuation Administration Services Pty Ltd  
ABN 31 058 682 876

### Transfers to the Aon Eligible Rollover Fund

The following replaces the information on page 43.

Money held for you in the Scheme may be transferred to the Aon Eligible Rollover Fund (ERF) if:

- > cover is cancelled and the trustee is holding contributions that have not yet been applied towards payment of premiums, **or**
- > the trustee is unable to pay your benefit to you because you do not meet a condition of release, **or**
- > the trustee needs to return your premiums and your nominated super fund refuses or cannot accept its return.

The trustee will transfer your money in the Scheme to the Aon ERF (after giving you prior written notice of its intention to do so) if you do not inform the trustee of an alternative superannuation fund within the time frame set out in the notice.

If your money in the Scheme is transferred to the Aon ERF:

- > you will cease to be a member of the Scheme and become a member of the Aon ERF
- > your money will be governed by the Aon ERF's rules, including the Aon ERF's fees and costs structure and defensive investment strategy
- > the Aon ERF may not be able to accept any ongoing contributions from you or your employer, but rollovers from other superannuation funds may be permitted
- > the insurance cover you had as part of the Scheme will cease and you will not be provided with insurance cover in the Aon ERF.

Subject to preservation rules, you can claim your benefit from the Aon ERF at any time. See the *Directory* on page 46 for Aon ERF contact details.

## Zurich Insurance-only Superannuation Plan (the Zurich Plan)

### Investments and policy committees

The investment and policy committee information in this annual report does not apply to your membership. Contributions to the Zurich Plan are used solely to pay your insurance premiums and are not invested on your behalf. Policy committees apply only to certain employer plans within the fund.

### Complaints resolution (page 40)

If you wish to make a complaint, please call the Zurich Plan Administrator on (03) 9621 7275 or write to:

Complaints Officer  
Zurich Insurance-only Superannuation Plan  
c/- Equity Trustees Superannuation Limited  
PO Box 810  
South Melbourne Vic 3205

### Directory (page 46)

#### ➤ General enquiries

Zurich Insurance-only Superannuation Plan  
Fund Administrator  
c/- Insurance & Superannuation Administration Services Pty Ltd  
PO Box 810  
South Melbourne Vic 3205  
Phone (03) 9621 7275  
Email zurich.enquiries@iasas.com.au

#### ➤ Administrator

Aon Hewitt Limited  
ABN 48 002 288 646  
with majority of administration services outsourced to:  
Insurance & Superannuation Administration Services Pty Ltd  
ABN 31 058 682 876

#### ➤ Insurer

Zurich Australia Limited  
ABN 92 000 010 195 AFSL 232510

### Transfers to the Aon Eligible Rollover Fund

The following replaces the information on page 43.

Where a premium is refunded by Zurich to the trustee (for example, due to cancellation of cover), the refund must be rolled over to another complying superannuation fund.

If you do not nominate a superannuation fund for the transfer, or if for whatever reason your nominated fund cannot accept the payment, the trustee may transfer any refund of premiums to the Aon Eligible Rollover Fund (ERF).

If an amount is transferred to the Aon ERF:

- you will cease to be a member of the Zurich Plan and become a member of the Aon ERF and will be subject to the Aon ERF's governing rules
- your account will be invested according to the Aon ERF's defensive investment strategy
- the Aon ERF's fees and costs will apply to your account in the ERF
- you will not have insurance cover in the Aon ERF.

Subject to preservation rules, you can claim your benefit from the Aon ERF at any time. See the *Directory* on page 46 for Aon ERF contact details.

# Directory

## smartMonday

PO Box 1949  
Wollongong NSW 2500

Phone 1300 880 588

Fax 1300 267 582

Email [enquiries@smartmonday.com.au](mailto:enquiries@smartmonday.com.au)

Web [smartmonday.com.au](http://smartmonday.com.au)

ABN 68 964 712 340

## Trustee

Equity Trustees Superannuation Limited

ABN 50 055 641 757 AFSL 229757

RSE Licence L0001458

## Administrator

Aon Hewitt Limited

ABN 48 002 288 646 AFSL 236667

with majority of administration services outsourced to:

Mercer Administration Services (Australia) Pty Limited

ABN 48 616 275 980 AFSL 245591

## Asset consultant

Aon Hewitt Limited

ABN 48 002 288 646 AFSL 236667

## Investment managers

- Russell Investment Management Ltd  
ABN 53 068 338 974 AFSL 247185
- Vanguard Investments Australia Ltd  
ABN 72 072 881 086 AFSL 227263
- Barings Australia Pty Ltd  
ABN 34 140 045 656 AFSL 342787
- Insight Investment Australia Pty Ltd  
ABN 69 076 812 381 AFSL 230541
- Crescent Wealth Funds Management (Aust) Limited  
ABN 32 144 560 172 AFSL 365260

## Insurer

AIA Australia Limited

ABN 79 004 837 861 AFSL 230043

## Auditor

PricewaterhouseCoopers

ABN 52 780 433 757

## Custodian services

BNP Paribas Funds Services Australasia Pty Ltd

ABN 71 002 655 674 AFSL 241080

## Eligible Rollover Fund

Aon Eligible Rollover Fund

PO Box 1949

Wollongong NSW 2500

Phone 1300 880 588

Fax 1300 267 582

Email [contactaon@pillar.com.au](mailto:contactaon@pillar.com.au)

Web [erf.aon.com.au](http://erf.aon.com.au)

ABN 54 338 733 881



## Contact the fund's Administrator

Email [enquiries@smartmonday.com.au](mailto:enquiries@smartmonday.com.au)

Phone 1300 880 588

Aon Master Trust

PO Box 1949

Wollongong NSW 2500

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