

Reference guide

Your investment options

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The information in this guide forms part of the Product Disclosure Statement (PDS) dated 19 May 2020 for smartMonday DIRECT.

The nuts and bolts of investing

A basic investment principle is that to expect a higher return you should be prepared to take more risk. If you want to reduce your risk, you should be prepared to expect a lower return. Each asset class has its own risk and return characteristics.

- **Shares** represent part ownership of a company. Owning shares can provide both capital growth and income in the form of dividends. Listed shares are traded on stock exchanges and prices can move considerably and frequently over the course of a day. Investments in shares offer the potential for higher returns over the longer term compared to cash, fixed interest or property. Shares are generally considered riskier than most other investment types, and some shares are riskier than others. Shares in companies from emerging markets, and new companies operating in sectors with uncertain growth prospects, tend to be the riskiest investments.
- **Listed property** represents share investments in commercial, retail, industrial, hotel and residential real estate. Property investments offer returns based on the value of real properties and rental income streams available from tenancy arrangements on those properties. Property trusts can either be listed on a stock exchange or unlisted. Listed trusts tend to have greater liquidity. Returns tend to be cyclical but property trusts offer the potential for higher returns over the longer term than cash and fixed interest.
- **Alternative assets** include absolute return funds, hedge funds, private securities, commodities and infrastructure. Some strategies may use specialist investment strategies such as short-selling and arbitrage. Private securities can be shares in unlisted companies or loans such as a mortgage on a property. Private securities tend to be less liquid or illiquid and have a high cost to transact. Alternative assets may be useful to diversify a portfolio because the timing and pattern of returns often differs from traditional assets and some alternatives may be relatively stable across economic and investment market cycles.
- **Fixed interest** investments are debt securities (including mortgages) issued by governments, banks or corporations. They pay interest at specified dates and repay the principal amount at maturity. Fixed interest investments carry the risk that the issuer will not be able to meet their payment commitments. This is known as credit risk, and some issuers such as companies may have a higher risk of default on payment than, for example, the Australian Government. This asset class also carries interest rate risk, which is the risk that interest rates may increase after the fixed interest instrument has been purchased. An increase in interest rates would typically decrease the market value of the portfolio. Conversely, a decrease in interest rates would increase the market value. Over the longer term, returns from fixed interest investments are generally lower than shares and property, but higher than cash.
- **Cash** is typically defined as short-term fixed interest or deposit-type securities (eg term deposits) with a maturity date generally less than one year. Cash investments offer a low risk of capital loss but generally lower returns than most other asset classes.

Diversification

You've probably heard the expression 'Don't put all your eggs in one basket'. It's often used to describe the concept of diversification. For your super, this means spreading your investments across different asset classes, underlying fund managers and investment strategies. The purpose of diversification is to reduce the overall risk of your investment portfolio.

A diversified portfolio typically falls into one of three categories:

- **Growth-oriented**—typically invests mainly in shares and listed property which are diversified across geographies and industries and are expected to generate higher capital growth over the longer term than defensive assets. The portfolio has a higher risk of capital loss than defensive strategies. It may also provide some income in the form of dividends from shares. The portfolio may also contain some alternative assets.
- **Moderate**—invests in a mix of growth-oriented and defensive-oriented strategies aiming to deliver a moderate return with a moderate level of risk.
- **Defensively-oriented**—invests mainly in cash, fixed interest and perhaps some alternative assets and growth assets. The portfolio has a lower risk of capital loss than growth-oriented strategies. Interest payments from fixed interest securities would provide steady income streams.

The fund has a range of investment options (ie our pre-mixed and sector options) to help you to diversify your super portfolio.

When building your super portfolio, you may want some advice. You should speak with a financial adviser if you have one. As a member of the fund, you're also entitled to use our intra-fund advice service (at no additional cost) that can help you make a decision about your investments in the fund. Call us to access the service.

Different investment approaches

Our range of investment options utilises both index and active management approaches.

Index approaches aim to track the risk and return characteristics of a market index. Index managers typically charge less than active managers.

An active management approach seeks to use research and their portfolio construction process to outperform a specific market index or to meet an investment objective. There is a risk, especially over shorter periods, that such managers may underperform the relevant market index.

Investment managers seeking to offer greater performance than index managers typically charge more as they incur higher costs. The higher fees are based on the expectation of performance better than the market index.

Environmental, social and governance considerations

We expect that in the modern investment market, the long-term sustainability and feasibility of investments may be impacted by underlying environmental, social and governance considerations (ESG). Accordingly, we may implement strategies which incorporate ESG processes and positive or negative ESG screening techniques.

Together with a range of other relevant factors, we consider the extent to which investment managers integrate ESG processes in their activities in the course of selecting investment managers.

Selection of managers

We are responsible for the selection of the fund's underlying investment managers, asset allocation and currency management in consultation with the fund's asset consultant Aon. We appoint specialist investment managers to invest your assets. These include Equity Trustees Limited (ABN 46 004 031 298), an affiliate of the trustee. Equity Trustees Limited is the issuer of the EQT Cash Management Fund and EQT Wholesale Mortgage Income Fund as well as managing the Australian Equity and Fixed Income mandates in which the fund invests.

Transactions between Equity Trustee Superannuation Limited in its capacity as trustee of the fund and Equity Trustees Limited in its capacity as Investment Manager, are conducted on normal commercial terms.

Automatic rebalancing

You can choose to have your asset allocation automatically rebalanced every quarter. Your investment options will be realigned to your chosen investment strategy as nominated on your application form. Rebalancing will only occur if your investment options are out of balance by more 5% at the date of rebalancing. Rebalancing will occur on the 10th of March, June, September and December.

Please note: If you change your investment strategy, this will cancel the automatic rebalancing facility unless you tick the opt-in box on the *Switching investment options* form at smartMonday.com.au.

Use of derivatives

Under our derivatives policy, we may use derivatives such as futures or options from time to time in a fiduciary capacity for risk management and currency hedging.

The underlying investment managers may also use derivatives as part of their overall investment process. In most cases, derivatives are used for risk management purposes only and not for speculation.

Inflation and how it is measured

Inflation is generally described as the increase in prices over time. The most common measure of inflation is the rate of change in the Consumer Price Index (CPI)* which is published by the Australian Bureau of Statistics (ABS).

The CPI measures quarterly changes in the price of a 'basket' of goods and services which account for a high proportion of general household expenses (eg groceries, clothing, transport, and housing expenses).

The pre-mixed investment options described in this guide aim to provide investment returns exceeding their inflation-based targets.

* We use the Consumer Price Index (All Groups) for the eight capital cities (ABS 6401.0)

Standard risk measure

To assist you in choosing how to invest your money the trustee uses a standard risk measure developed by industry associations to rate the level of risk for each of our investment options.

You can use these risk ratings to compare investment options, both within the fund and across other super funds. There are seven risk bands:

Risk band	Risk label	Estimated number of negative returns over any 20 year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

The standard risk measure doesn't take into account all forms of investment risk. For example, it doesn't consider what the size of a negative return could be, or the likelihood of a positive return being less than what you may require to meet your personal objectives. Nor does it take into account the impact of administration fees and tax on the likelihood of a negative return.

We review the standard risk measure for each of our investment options at least annually.

The standard risk measure is only a guide. You should consider whether you're comfortable with the risks and potential losses associated with the investments you choose.

Our unit pricing policy

We have adopted a formal unit pricing policy for the investment options in the fund. We can change this policy and any underlying procedures at any time.

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.

Unit pricing usually occurs daily on business days.

We reserve the right to suspend unit pricing or transaction processing activities in exceptional circumstances (for example, under situations of extremely volatile market conditions, or when large cash flows are moving into or out of the fund). Transactions that may be suspended in these circumstances can include benefit payments and switches.

Application of unit prices

Unit prices are derived and applied in an equitable manner that values members' benefits and distributes investment earnings and losses fairly. We apply a 'forward pricing' mechanism to process transactions to and from your account in the fund. This means that all transactions are processed using a unit price calculated after the fund has received the transaction request.

- > **Contributions**—normally processed within 3 to 5 business days of receipt of a contribution (including rollovers into the fund) and all the necessary information, using the price applicable on the date of processing.
- > **Benefit payments**— normally processed within 3 to 5 business days after all necessary information is received, using the unit price on the day benefit payments (including transfers out of the fund) are processed.
- > **Investment switches**—we process switches after receipt of the completed request and normally within 5 business days, using the unit prices applicable on the date of processing.
- > **Other transactions** — such as switches between Aon MySuper portfolios to adjust the investment mix for your age, deductions from your account for administration fees or insurance fees and refunds or rebates to your account (where applicable), are processed using the unit price available in our systems on that date.

Unit prices fluctuate from day to day but in extraordinary market conditions the movements can be significant. Movements can also be significant in smaller investment options relative to size of the cash flows in and out of them. We do not accept liability for any losses you may have suffered as a result of these factors, except where it can be established that we have not applied our unit pricing policy correctly.

Investment options – summary

- > There's a range of options to choose from. You can choose a different strategy (or allocation) for your account balance and any future contributions into your account.
- > The allocation of your account balance may drift away from your chosen strategy because of market movements over time and transactions. If you select the automatic rebalancing feature on the *Application* form, your portfolio of investment options will be automatically rebalanced back to your chosen strategy. See page 2 for more information.
- > When selecting your investments, there is a minimum weighting of 5% in each investment option.
- > You can switch between investment options online or by sending us a completed *Switching investment options* form available at smartMonday.com.au.

Important information

- > Read the information about the investment options, considering the likely returns, risks, and your investment timeframe, before making a decision.
- > The information in this guide may change between the time you read it and when you make a decision. Non-materially adverse changes to the information in this guide will be made available on our website or on request free of charge.
- > Information about the fund's other investment options is available at smartMonday.com.au/Investments.aspx
- > We can change, close or terminate investment options at any time. We'll notify you well in advance if there's anything that we feel will significantly affect your investments in the fund. Asset allocations in pre-mixed options may change without notification.

Investment options	
Pre-mixed	Sector
Suitable if you prefer to leave decisions about asset allocation and selection of securities to us.	Suitable if you want greater control over the asset allocation of your portfolio but prefer to leave the selection of securities to us.
<ul style="list-style-type: none"> > High Growth – Index > High Growth – Active > Growth – Index > Growth – Active > Balanced Growth – Index > Balanced Growth – Active > Moderate – Index > Moderate – Active > Defensive – Index > Defensive – Active 	<ul style="list-style-type: none"> > Australian Shares – Index > Australian Shares – Diversified > Australian Shares – Core > Australian Shares – Opportunities > Alternative – Diversified > 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) > Fixed Interest – Australian Index > Fixed Interest – Australian > Fixed Interest – Diversified > Fixed Interest – International Index (\$A hedged) > Fixed Interest – International > Cash

Investment options – pre-mixed

	High Growth – Index		High Growth – Active		Growth – Index		Growth – Active	
Description	Invests in growth assets including Australian and international shares and property. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.		Invests in growth assets including Australian and international shares and property. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.		Invests predominantly in growth assets including Australian shares, international shares and property and defensive assets in fixed interest. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.		Invests predominantly in growth assets including Australian shares, international shares and property and defensive assets in fixed interest. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.	
Target return	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.		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.	
Suggested minimum timeframe	15 years		15 years		12 years		12 years	
Investment strategy	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.	
Risk/return profile	Returns can be very volatile over the short to medium term. Historically, high growth assets have offered the highest long-term returns.		Returns can be very volatile over the short to medium term. Historically, high growth assets have offered the highest long-term returns.		Returns are generally less volatile than the High Growth portfolio but can still be very volatile over the short to medium term.		Returns are generally less volatile than the High Growth portfolio but can still be very volatile over the short to medium term.	
Standard risk measure*	6 (High)		6 (High)		5 (Medium to high)		5 (Medium to high)	
Asset allocation	Target %	Range %	Target %	Range %	Target %	Range %	Target %	Range %
Australian shares	46	0–70	44	0–70	39	0–70	37.5	0–70
International shares	46	0–70	44	0–70	39	0–70	37.5	0–70
Listed property	8	0–30	7	0–30	7	0–30	6	0–30
Alternative–growth	0	0–30	5	0–30	0	0–30	4	0–30
Total growth	100	90-100	100	90-100	85	80-90	85	80-90
Alternative–defensive	0	0–10	0	0–10	0	0–15	5	0–15
Aust. fixed interest	0	0–10	0	0–10	7.5	0–15	5	0–15
Int'l fixed interest	0	0–10	0	0–10	7.5	0–15	5	0–15
Cash	0	0–10	0	0–10	0	0–15	0	0–15
Total defensive	0	0-10	0	0-10	15	10-20	15	10-20

* For the estimated number of negative annual returns over any 20-year period applicable to risk description shown here, see page 3.

Investment options – pre-mixed

	Balanced Growth – Index		Balanced Growth – Active		Moderate – Index		Moderate – Active	
Description	Invests in a mix of growth and defensive assets including Australian and international shares, property, fixed interest and cash. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.		Invests in a mix of growth and defensive assets including Australian and international shares, property, fixed interest and cash. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.		Invests predominantly in defensive assets including Australian and international fixed interest with some exposure to shares and property. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.		Invests predominantly in defensive assets including Australian and international fixed interest with some exposure to shares and property. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.	
Target return	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.		To provide a return at least 2% pa above inflation (after fees and taxes) over rolling 3-year periods.		To provide a return at least 2.25% pa above inflation (after fees and taxes) over rolling 3-year periods.	
Suggested minimum timeframe	10 years		10 years		3 years		3 years	
Investment strategy	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.	
Risk/return profile	There is likely to be volatility in returns in the short to medium term but volatility tends to decline over longer periods.		There is likely to be volatility in returns in the short to medium term but volatility tends to decline over longer periods.		Relatively low returns but with less volatility than Balanced Growth options.		Relatively low returns but with less volatility than Balanced Growth options.	
Standard risk measure*	4 (Medium)		4 (Medium)		2 (Low)		2 (Low)	
Asset allocation	Target %	Range %	Target %	Range %	Target %	Range %	Target %	Range %
Australian shares	32	0–70	30	0–70	12	0–30	12	0–30
International shares	32	0–70	30	0–70	12	0–30	12	0–30
Listed property	6	0–30	6	0–30	6	0–30	6	0–30
Alternative–growth	0	0–30	4	0–30	0	0–15	0	0–15
Total growth	70	60-80	70	60-80	30	20-40	30	20-40
Alternative–defensive	0	0–15	5	0–15	0	0–20	10	0–20
Aust. fixed interest	12.5	0–30	10	0–30	30	0–60	25	0–60
Int'l fixed interest	12.5	0–30	10	0–30	30	0–60	25	0–60
Cash	5	0–30	5	0–30	10	0–60	10	0–60
Total defensive	30	20-40	30	20-40	70	60-80	70	60-80

* For the estimated number of negative annual returns over any 20-year period applicable to risk description shown here, see page 3.

Investment options – pre-mixed

	Defensive – Index		Defensive – Active	
Description	Invests in defensive assets including Australian and international fixed interest and cash. Intended to be suitable for those who can tolerate an occasional negative return because they intend to remain invested in this option for the suggested minimum timeframe.		Invests in defensive assets including Australian and international fixed interest and cash. Intended to be suitable for those who can tolerate an occasional negative return because they intend to remain invested in this option for the suggested minimum timeframe.	
Target return	To provide a return at least 1% pa above inflation (after fees and taxes) over rolling 2-year periods.		To provide a return at least 1.25% pa above inflation (after fees and taxes) over rolling 2-year periods.	
Suggested minimum timeframe	2 years		2 years	
Investment strategy	Typically invests 100% of the portfolio in defensive assets.		Typically invests 100% of the portfolio in defensive assets.	
Risk/return profile	Relatively stable returns. Generally lower long-term returns than the other options.		Relatively stable returns. Generally lower long-term returns than the other options.	
Standard risk measure*	1 (Very low)		1 (Very low)	
Asset allocation	Target %	Range %	Target %	Range %
Australian shares	0	0–20	0	0–20
International shares	0	0–20	0	0–20
Listed property	0	0–20	0	0–20
Alternative–growth	0	0–20	0	0–20
Total growth	0	0-20	0	0-20
Alternative–defensive	0	0–40	5	0–40
Aust. fixed interest	30	0–90	27.5	0–90
Int’l fixed interest	30	0–90	27.5	0–90
Cash	40	10–90	40	10–90
Total defensive	100	80-100	100	80-100

* For the estimated number of negative annual returns over any 20-year period applicable to risk description shown here, see page 3.

Investment options – sector

	Australian Shares – Index	Australian Shares – Diversified	Australian Shares – Core
Description	Invests in Australian shares. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.	Invests in Australian shares. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.	Invests in Australian shares. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.
Target return	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 5-year periods.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling 5-year periods.
Suggested minimum timeframe	15 years	15 years	15 years
Benchmark index	80% S&P/ASX 300 Accumulation Index 20% FTSE/ASFA Australian High Dividend Yield Index	30% S&P/ASX 300 Accumulation Index 70% S&P/ASX 200 Accumulation Index	30% S&P/ASX 300 Accumulation Index 70% S&P/ASX 200 Accumulation Index
Investment strategy	Uses a portfolio construction process that seeks to closely match the benchmark risk and return characteristics.	Invests in shares mainly listed, or due to be listed, on the Australian Securities Exchange.	Invests in shares mainly listed, or due to be listed, on the Australian Securities Exchange.
Risk/return profile	Returns can be very volatile over the short to medium term. Historically, shares have offered the highest long-term returns.	Returns can be very volatile over the short to medium term. Historically, shares have offered the highest long-term returns.	Returns can be very volatile over the short to medium term. Historically, shares have offered the highest long-term returns.
Standard risk measure*	6 (High)	6 (High)	6 (High)
Target asset allocation	100% Australian shares	100% Australian shares	100% Australian shares

* For the estimated number of negative annual returns over any 20-year period applicable to risk description shown here, see page 3

Investment options – sector

	Australian Shares – Opportunities	Alternative – Diversified
Description	Invests in a concentrated portfolio of Australian shares. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.	This option invests in non-traditional asset classes; examples include commodities and infrastructure. The specific investments may change over time. Intended to be suitable for those seeking to diversify the risk in holding shares, property, and fixed interest with investments that may exhibit different return patterns, ie. an allocation to alternatives may help offset periods of weakness in the stock market.
Target return	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling 5-year periods.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling 5-year periods.
Suggested minimum timeframe	15 years	7 years
Benchmark index	30% S&P/ASX 300 Accumulation Index 70% S&P/ASX 200 Accumulation Index	Bloomberg AusBond Bank Bill Index
Investment strategy	Invests mainly in a concentrated portfolio of shares listed, or due to be listed, on the Australian Securities Exchange.	Invests in non-traditional assets such as infrastructure, commodities, hedge funds, absolute return strategies and floating rate securities.
Risk/return profile	Returns can be very volatile over the short to medium term. Historically, shares have offered the highest long-term returns.	Returns are relatively consistent in the medium term and typically uncorrelated with traditional asset classes.
Standard risk measure*	6 (High)	3 (Low to medium)
Target asset allocation	100% Australian shares	100% alternative assets

* For the estimated number of negative annual returns over any 20-year period applicable to risk description shown here, see page 3

Investment options – sector

	International Shares – Index	International Shares – Index (\$A hedged)	International Shares – Diversified
Description	Invests mainly in developed market shares and may have some exposure to emerging markets. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.	Invests mainly in developed market shares and may have some exposure to emerging markets. . Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.	Invests mainly in developed market shares and may have some exposure to emerging markets. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.
Target return	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 5-year periods.
Suggested minimum timeframe	15 years	15 years	15 years
Benchmark index	MSCI World ex Australia Index (unhedged, net dividends reinvested)	MSCI World ex Australia Index (hedged, net dividends reinvested)	MSCI World Index (unhedged, net dividends reinvested)
Investment strategy	Uses a portfolio construction process that seeks to closely match the benchmark risk and return characteristics.	Uses a portfolio construction process that seeks 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%).
Risk/return profile	Returns can be very volatile over the short to medium term. Historically, shares have offered the highest long-term returns.	Returns can be very volatile over the short to medium term. Historically, shares have offered the highest long-term returns.	Returns can be very volatile over the short to medium term. Historically, shares have offered the highest long-term returns.
Standard risk measure*	6 (High)	6 (High)	6 (High)
Target asset allocation	100% international shares	100% international shares	100% international shares

* For the estimated number of negative annual returns over any 20-year period applicable to risk description shown here, see page 3

Investment options – sector

	International Shares – Core	International Shares – Core (\$A hedged)	International Shares – Emerging Markets
Description	Invests mainly in developed markets shares with some exposure to emerging markets. Intended to be suitable for those who can tolerate negative returns in some years and can accept significant volatility from foreign exchange fluctuations, because they intend to remain invested in this option for the suggested minimum timeframe.	Invests mainly in developed markets shares with some exposure to emerging markets. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.	Invests in emerging markets shares. Intended to be suitable for those who can tolerate negative returns in some years and can accept significant volatility from foreign exchange fluctuations, because they intend to remain invested in this option for the suggested minimum timeframe.
Target return	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling 5-year periods.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling 5-year periods.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling 5-year periods.
Suggested minimum timeframe	15 years	15 years	Greater than 15 years
Benchmark index	MSCI World Index (unhedged, net dividends reinvested)	MSCI World Index (hedged, net dividends reinvested)	MSCI Emerging Markets Index (unhedged, net dividends reinvested)
Investment strategy	Invests in shares listed on stock markets around the world.	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.
Risk/return profile	Returns can be very volatile over the short to medium term. Historically, shares have offered the highest long-term returns.	Returns can be very volatile over the short to medium term. Historically, shares have offered the highest long-term returns.	Returns can be very volatile over the short to medium term. Historically, shares have offered the highest long-term returns.
Standard risk measure*	6 (High)	6 (High)	7 (High)
Target asset allocation	100% international shares	100% international shares	100% international shares

* For the estimated number of negative annual returns over any 20-year period applicable to risk description shown here, see page 3

Investment options – sector

	Property – Australian Index	Property – Diversified	Property – Global Listed (\$A hedged)
Description	Invested in listed Australian property. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.	Invested in listed Australian property and listed developed markets property. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.	Invests in listed developed markets property. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.
Target return	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 5-year periods.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling 5-year periods.
Suggested minimum timeframe	10 years	10 years	12 years
Benchmark index	S&P/ASX 300 A-REIT Accumulation Index	50% S&P/ASX 300 A-REIT Accumulation Index 50% FTSE EPRA/NAREIT Developed Index (hedged, net dividend reinvested)	FTSE EPRA/NAREIT Developed Index (hedged, net dividend reinvested)
Investment strategy	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 securities listed, or due to be listed, on developed international markets. Full \$A hedging.
Risk/return profile	Returns can be volatile over the short to medium term. Historically, property has produced higher returns than fixed interest and cash investments.	Returns can be volatile over the short to medium term. Historically, property has produced higher returns than fixed interest and cash investments.	Returns can be volatile over the short to medium term. Historically, property has produced higher returns than fixed interest and cash investments.
Standard risk measure*	4 (Medium)	4 (Medium)	5 (Medium to high)
Target asset allocation	100% Australian listed property securities	50% Australian listed properties securities 50% global listed property	100% global listed property securities

* For the estimated number of negative annual returns over any 20-year period applicable to risk description shown here, see page 3

Investment options – sector

	Fixed Interest – Australian Index	Fixed Interest – Australian	Fixed Interest – Diversified
Description	Invests in Australian fixed interest intended to be suitable for those seeking modest returns above inflation with a low risk of negative returns over the suggested minimum timeframe.	Invests predominantly in Australian fixed interest securities. Intended to be suitable for those seeking modest returns above inflation with a low to medium risk of negative returns over the suggested minimum timeframe.	Invests in fixed interest across the credit spectrum, with exposure to Australian and overseas markets. Foreign currency exposures are largely hedged back to the Australian dollar however there is some exposure to currency risk. This option is intended to be suitable for those seeking modest returns above inflation with a low to medium risk of negative returns over the suggested minimum timeframe.
Target return	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 3-year periods.	To provide a return that exceeds the benchmark return (after fees but before tax) over rolling 3-year periods.
Suggested minimum timeframe	2 years	3 years	3 years
Benchmark index	Bloomberg AusBond Composite Bond Index	79% Bloomberg AusBond Composite Bond Index 21% Official Reserve Bank of Australia cash rate	10% Official Reserve Bank of Australia cash rate. 40% Bloomberg AusBond Composite Bond Index. 50% Barclays Global Aggregate Index (\$A hedged)
Investment strategy	Uses a portfolio construction process that seeks 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 and may include an exposure to mortgages.	Invests in fixed interest assets across the credit spectrum both in Australia and internationally and may include an exposure to mortgages. Foreign currency exposures in the portfolio are largely hedged back to the Australian dollar.
Risk/return profile	Relatively low but stable returns with some volatility.	Relatively low but stable returns with some volatility.	Relatively low but stable returns with some volatility. There may be some foreign currency exposure.
Standard risk measure*	1 (Very low)	3 (Low to medium)	3 (Low to medium)
Target asset allocation	100% Australian fixed interest	100% Australian fixed interest	50% Australian fixed interest 50% international fixed interest

* For the estimated number of negative annual returns over any 20-year period applicable to risk description shown here, see page 3

Investment options – sector

	Fixed Interest – International Index (\$A hedged)	Fixed Interest – International	Cash
Description	Designed to generate the risk and return outcomes of the benchmark index, which means negative returns when the bond market falls. There is no currency risk and this option is intended to be suitable for those seeking modest returns above inflation with a low to medium risk of negative returns over the suggested minimum timeframe.	Invests in overseas fixed interest securities across the credit spectrum. Foreign currency exposures are largely hedged back to the Australian dollar however there is some exposure to currency risk. This option is intended to be suitable for those seeking modest returns above inflation with a low to medium risk of negative returns over the suggested minimum timeframe.	Invests in deposits, fixed and floating rate securities with short-terms and high liquidity. Intended to be suitable for those who put more weight on capital security and liquidity than returns.
Target return	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 3-year periods.	To provide a return that exceeds the benchmark return (before fees) over any 12-month period.
Suggested minimum timeframe	3 years	3 years	1-2 years
Benchmark 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)	Official Reserve Bank of Australia cash rate
Investment strategy	Uses a portfolio construction process that seeks 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.	Invests in short-term securities
Risk/return profile	Relatively low but stable returns with some volatility.	Relatively low but stable returns with some volatility. There may be some foreign currency exposure.	Low but stable returns with minimal volatility.
Standard risk measure*	3 (Low to medium)	3 (Low to medium)	1 (Very low)
Target asset allocation	100% international fixed interest	100% international fixed interest	100% cash and short-term fixed interest securities

* For the estimated number of negative annual returns over any 20-year period applicable to risk description shown here, see page 3

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