

Essential Super Product Update

Provided by



Effective: 22 May 2023

This Product Update provides important information regarding changes to the following Essential Super investment options effective 22 May 2023:

- Diversified Index option
- Balanced Index option
- High Growth Index option
- Thrive+ Sustainable Growth option

It should be read in conjunction with the **Essential Super – Product Disclosure Statement** issued **19 November 2022** and Reference Guides. This document updates information in the **Essential Super – Fees and Investments Reference Guide**, issued on **19 November 2022**.

UPDATED INFORMATION

Essential Super – Fees and Investments Reference Guide: page 36

Diversified Index option

The following information updates the 'Strategy' section.

To invest 50% in a diversified portfolio of assets expected to generate long-term capital growth such as shares, property and infrastructure. 50% of the portfolio is allocated to defensive assets such as fixed interest and cash to provide the portfolio with relatively stable returns. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk, except for part of the allocation to global shares.



The following information updates the 'Strategic Asset Allocation' section.

| Asset Class | Strategic Asset Allocation | Strategic Asset Allocation (Ranges) |
|----------------------------------|----------------------------|-------------------------------------|
| Australian Shares | 18.0% | (10–30%) |
| Global Shares | 24.0% | (15–35%) |
| Global Property Securities | 4.0% | (0–15%) |
| Global Infrastructure Securities | 4.0% | (0–15%) |
| Fixed Interest | 43.0% | (35–50%) |
| Cash | 7.0% | (0–15%) |

Essential Super – Fees and Investments Reference Guide: page 37

Balanced Index option

The following information updates the 'Objective' section.

To provide long-term capital growth and income over the long term by investing in growth assets. To closely track the option's composite benchmark over rolling three-year periods before fees and taxes.

The following information updates the 'Strategy' section.

The option allocates 70% of investments to growth assets such as shares, property and infrastructure securities to provide potential for capital growth. The growth assets are managed using market capitalisation indices. 30% of the portfolio is allocated to defensive assets such as fixed interest and cash to provide the portfolio with relatively stable returns. The fixed interest component is managed on a traditional index basis while the cash component may include money market securities, bank deposits and annuities. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk, except for a part of the allocation to global shares.

The following information updates the 'Strategic Asset Allocation' section.

| Asset Class | Strategic Asset Allocation | Strategic Asset Allocation (Ranges) |
|----------------------------------|----------------------------|-------------------------------------|
| Australian Shares | 26.0% | (15–35%) |
| Global Shares | 32.0% | (20–40%) |
| Global Property Securities | 6.0% | (0–15%) |
| Global Infrastructure Securities | 6.0% | (0–15%) |
| Fixed Interest | 27.0% | (15–30%) |
| Cash | 3.0% | (0–15%) |

The following information updates the composite benchmark set out in 'Footnote 1'.

The composite benchmark for this investment option is: 3.0% Bloomberg AusBond Bank Bill Index, 13.0% Bloomberg AusBond Composite 0+Yr Index, 14.0% Bloomberg Global Aggregate Index (AUD hedged), 6.0% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 6.0% FTSE Developed Core Infrastructure Index (AUD hedged), 26.0% S&P/ASX 300 Accumulation Index, 25.0% MSCI All Country World ex Australia Net Index, 7.0% MSCI All Country World ex Australia Net Index (AUD hedged). This benchmark may be subject to change at any time.

Essential Super – Fees and Investments Reference Guide: page 38

High Growth Index option

The following information updates the 'Objective' section.

To provide long-term capital growth by investing in primarily growth assets. To closely track the option's composite benchmark over rolling three-year periods before fees and taxes.

The following information updates the 'Strategy' section.

The option invests primarily in a diversified portfolio of shares and property and infrastructure securities to provide potential for capital growth. The assets are managed using market capitalisation indices. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk, except for a part of the allocation to global shares.

The following information updates the 'Strategic Asset Allocation' section.

| Asset Class | Strategic Asset Allocation | Strategic Asset Allocation (Ranges) |
|----------------------------------|-----------------------------------|--|
| Australian Shares | 35.0% | (25–45%) |
| Global Shares | 44.0% | (35–55%) |
| Global Property Securities | 10.0% | (0–20%) |
| Global Infrastructure Securities | 10.0% | (0–20%) |
| Cash | 1.0% | (0–5%) |

The following information updates the composite benchmark set out in 'Footnote 1'.

The composite benchmark for this investment option is: 1.0% Bloomberg AusBond Bank Bill Index, 10.0% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 10.0% FTSE Developed Core Infrastructure Index (AUD hedged), 35.0% S&P/ASX 300 Accumulation Index, 34.0% MSCI All Country World ex Australia Net Index, 10.0% MSCI All Country World ex Australia Net Index (AUD hedged). This benchmark may be subject to change at any time.

Thrive+ Sustainable Growth option

The following information updates the 'Strategy' section.

The option is managed to 'sustainable investment' criteria that encourages investment in companies with a sustainable business and strong environment, social and governance characteristics and seeks to avoid investments in certain companies or activities that have a highly adverse effect on the environment or society. This option is governed by the Thrive+ Sustainable Investment Charter. The option allocates 80% of investments to growth assets such as Australian and global shares to provide potential for capital growth, and 20% to defensive assets such as fixed interest and cash.

In order to provide additional diversification, the portfolio is allocated across a number of investment managers. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk except for part of the allocation to global shares.

The following information updates the 'Strategic Asset Allocation' section.

| Asset Class | Strategic Asset Allocation | Strategic Asset Allocation (Ranges) |
|----------------------------------|----------------------------|-------------------------------------|
| Australian Shares | 36.0% | (25–45%) |
| Global Shares and Private Equity | 44.0% | (35–55%) |
| Australian Fixed Interest | 9.0% | (0–20%) |
| Global Fixed Interest | 10.0% | (0–20%) |
| Cash | 1.0% | (0–10%) |

The following information updates the composite benchmark set out in 'Footnote 1'.

The composite benchmark for this investment option is: 1.0% Bloomberg AusBond Bank Bill Index, 10.0% Bloomberg Global Aggregate Index (AUD hedged), 9.0% Bloomberg AusBond Composite 0+Yr Index, 36.0% S&P/ASX 300 Accumulation Index, 22.0% MSCI All Country World ex Australia Net Index, 22.0% MSCI All Country World ex Australia Net Index (AUD hedged). This benchmark may be subject to change at any time.

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