



## ANZ SMART CHOICE SUPER IMPORTANT INFORMATION AND UPDATES AS AT 30 JUNE 2024

It's that time of year again to take a moment to catch up on some product and legislative updates over the past year, that may impact your super account.

### SIGNIFICANT EVENT NOTIFICATION: CHANGES TO THE ANZ SMART CHOICE CASH INVESTMENT OPTION

The ANZ Smart Choice Cash investment option has exposure to bank deposits with the Australia and New Zealand Banking Group Limited (ABN 11 005 357 522) (ANZ). The investment option currently has an Investment fee of 0.00% per annum (p.a.), and as at 30 June 2024 the interest rate was 4.67% p.a. (before fees and tax)\*.

From 1 December 2024, we'll introduce a 0.30% p.a. Investment fee. This fee will cover underlying costs and support the ongoing sustainability of the investment option. The fee and any applicable tax will be deducted from the ANZ Smart Choice Cash gross interest rate return.

All other fees and costs for ANZ Smart Choice Cash remain the same.

To give more certainty and clarity to members, on 12 December 2023 we changed the investment objective for the ANZ Smart Choice Cash investment option to target a return after ongoing fees are deducted.

	From	To
<b>Investment objective</b>	Aims to provide investors with a high level of capital security while achieving returns generally in line with cash management accounts, less fees, charges and taxes.	Aims to provide investors with a high level of capital security while achieving returns generally in line with the Reserve Bank of Australia Cash Rate Target (after fees and before tax) by investing in bank deposits.

The investment strategy of investing in a portfolio of cash held with ANZ remains the same.

In November 2023, ANZ provided a 0.10% p.a. improvement to the interest rate for this option. A further improvement was provided in December 2023 with an increase of 0.25% p.a. in line with the interest rate rise by the RBA in November 2023. We'll continue to work with ANZ to meet the investment objective.

Note that interest rates are subject to change. You can obtain current interest rates at any time by calling Customer Services.

As currently disclosed in the Product Disclosure Statement (PDS), a related party of OnePath Custodians Pty Limited may receive payments from ANZ of up to 0.28% p.a. (plus any applicable GST) of the amounts held in the ANZ Smart Choice Cash investment option invested with ANZ. These payments are not currently an additional charge to you and are expected to cease from 1 December 2024.

\* For superannuation accounts the effective rate is reduced by the impact of tax on superannuation investment earnings.

## YOUR INVESTMENT OPTIONS

ANZ Smart Choice Cash is a low-risk investment option designed to preserve capital and provide a modest investment return.

If your account is predominantly invested in the ANZ Smart Choice Cash investment option, it's worth knowing that, while this may suit your investment objectives and personal financial situation, we also offer investment options to suit a range of needs, including Lifestage options that adapt to suit no matter where you are in life.

To find out more about your investment options, see the Product Disclosure Statement (PDS) and Additional Information Guide, available from [www.anz.com.au/smartchoicesuper](http://www.anz.com.au/smartchoicesuper) under 'Downloads – important documents', or by calling Customer Services. You can make an investment switch by logging on to your account at [www.anz.com.au/smartchoiceaccess](http://www.anz.com.au/smartchoiceaccess) or by calling Customer Services.

If you have a financial adviser, they can provide advice about your investment needs that takes into account your personal circumstances.

## CHANGES TO TAX REFUNDS ON MEMBER ADVICE FEES FOR SUPER AND/OR PENSION PRODUCTS

If you pay a member advice fee on your account, you may notice a change in the amount from 1 July 2024.

From 1 July 2024, the ATO stopped allowing Reduced Input Tax Credits (75% of the GST) to be claimed by superannuation funds on member advice fees. This means that any member advice fees you pay may increase by 7.32% as the GST refund (or Reduced Input Tax Credit) is no longer available. The adviser service fee received by your financial adviser should not change.

## PLANNING FOR THE FUTURE – INTRODUCING 'INTRA-FUND' ADVICE SERVICE

We understand everyone is on a different financial journey. Your financial goals and aspirations are unique and the advice you receive should be too. Whether it's a simple question about your super or a complex financial issue, we're here to help you.

You can now contact our team who can provide you with non-ongoing personal advice as requested about your investment in the super fund. This type of advice is called 'intra-fund' advice and is limited to certain topics, such as your selection of available investment options. The cost of intra-fund advice is not an additional cost to you and is included in the existing administration fees and costs shown in the Fees and Costs Summary and the Fees Guide in the PDS. This cost is different from adviser service fees for personal advice, which are agreed between you and your financial adviser (if you have one) and are charged directly (if agreed by you).



## REGULATORY UPDATES

### SUPER CONTRIBUTION CAPS TO INCREASE ON 1 JULY 2024

The annual concessional contribution and non-concessional contribution caps increased to \$30,000 and \$120,000 respectively on 1 July 2024.

Caps and thresholds	Up to 30 June 2024	From 1 July 2024
Concessional contributions cap	\$27,500	\$30,000
Non-concessional contributions cap	\$110,000	\$120,000
CGT small business cap	\$1.705 million	\$1.78 million
Government co-contributions lower income threshold	\$43,445	\$45,400
Government co-contributions upper income threshold	\$58,445	\$60,400
General transfer balance cap	\$1.9 million	\$1.9 million

### REDUCED TAX CONCESSIONS FOR BALANCES OVER \$3 MILLION

From 1 July 2025, it has been proposed that individuals with a super account balance over \$3 million at the end of a financial year will be subject to an additional 15% tax on earnings on the amount greater than \$3 million.



## INVESTMENT FUND UPDATES

### INVESTMENT OPTION UPDATES

Changes were made to the following investment options.

#### CLEARBRIDGE RARE INFRASTRUCTURE VALUE HEDGED

The fund's minimum time horizon changed from 1 December 2023 as outlined below.

	Previous	New
Minimum time horizon	5 years	3–5 years

#### UBS BALANCED

The fund description changed from 1 December 2023 as outlined below. However, please note the UBS Balanced fund terminated in April 2024.

	Previous	New
Description	The fund is best suited to investors who seek to achieve returns from a mix of growth, income and alternative assets. Due to the inherent volatility of markets, investment returns will fluctuate and may be negative in some periods.	The fund is intended to be suitable for investors with at least a five year investment timeframe and with a medium risk and return profile. More specifically, the fund is intended to be suitable for investors who seek to achieve returns from a mix of growth, income and alternative assets.

#### UBS DEFENSIVE

The fund description changed from 1 December 2023 as outlined below. Please note this investment option terminated in April 2024.

	Previous	New
Description	The fund is best suited to investors who seek to achieve returns from a mix of growth, income and alternative assets. Due to the inherent volatility of markets, investment returns will fluctuate and may be negative in some periods.	The fund is intended to be suitable for investors with at least a five year investment timeframe and with a medium risk and return profile. More specifically, the fund is intended to be suitable for investors who seek to achieve returns from a mix of growth, income and alternative assets.

### ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) DISCLOSURE

Information on our approach to Responsible Investment has been updated in the relevant **Additional Information Guide** which can be found [www.anz.com.au/smartchoicesuper](http://www.anz.com.au/smartchoicesuper)

ANZ Smart Choice Super for QBE Management Services Pty Ltd and their employees is a closed product. Please refer to the ANZ Smart Choice Super for employers and their employees **Additional Information Guide**.

Information regarding negative screening for tobacco manufacturing companies for certain investment options has been included in the Additional Information Guide on page 19 (for ANZ Smart Choice Super and Pension) and page 20 (for ANZ Smart Choice Super for employers and their employees)..

This applies to the following investment options available through ANZ Smart Choice Super and Pension, ANZ Smart Choice Super for employers and their employees and ANZ Smart Choice Super for QBE Management Services Pty Ltd and their employees:

- MultiSeries 30
- MultiSeries 50
- MultiSeries 70
- MultiSeries 90

This also applies to the following investment options available through ANZ Smart Choice Super for employers and their employees and ANZ Smart Choice Super for QBE Management Services Pty Ltd and their employees:

- Alphinity Australian Shares
- Alphinity Select Leaders
- OnePath Diversified Fixed Interest
- OnePath Emerging Companies\*
- OnePath Global Emerging Markets Shares
- Vontobel Global Shares

Information regarding ESG considerations for the Alphinity Sustainable Investments – Australian Shares investment option can be found on page 20 of the Additional Information Guide.

\* This investment option is not available through ANZ Smart Choice Super for QBE Management Services Pty Ltd and their employees.

## UPDATED STANDARD RISK MEASURE

For details on how Standard Risk Measure works, please refer to the Product Disclosure Statement available at [www.anz.com.au/smartchoicesuper](http://www.anz.com.au/smartchoicesuper)

Fund name	Previous Risk Band	Previous Risk Label	Current Risk Band	Current Risk Label	Change
ANZ Smart Choice 1950s	6	High	5	Medium to high	↓
ANZ Smart Choice Australian Fixed Interest	4	Medium	5	Medium to high	↑
ANZ Smart Choice Cash	2	Low	1	Very Low	↓
ANZ Smart Choice Conservative	5	Medium to high	4	Medium	↓
ANZ Smart Choice OnePath Cash	3	Low to medium	2	Low	↓
Bentham Global Income Fund	6	High	5	Medium to high	↓
Kapstream Absolute Return Income Fund	3	Low to medium	5	Medium to high	↑
OnePath Alternatives Growth Fund	4	Medium	6	High	↑
OnePath Geared Australian Shares Index	7	Very High	6	High	↓
Schroder Real Return Fund	5	Medium to high	4	Medium	↓



## FEE AND INVESTMENT COST UPDATES

### CHANGES TO INVESTMENT FEES, PERFORMANCE FEES AND COSTS AND TRANSACTION COSTS

Investment fees and costs, performance fees and transaction costs for each investment fund offered through your product for the year ending 30 June may have changed from those that applied in the previous year. You can view the investment fees and costs, performance fees and transaction costs that applied to your investment in the 'Fees and costs deducted from your investment' section of your Annual Statement.

Please note that the costs for Bennelong Australian Equities have increased by over 10% from the previously disclosed total fees and costs.

To view the investment fees and costs, performance fees and transaction costs for all funds, please refer to the relevant product disclosure statements available at [www.anz.com.au/smartchoicesuper](http://www.anz.com.au/smartchoicesuper)

### BUY-SELL SPREADS

Buy-sell spreads for some funds have been updated effective 12 December 2023. To view the latest buy-sell spreads, please refer to the **Buy-Sell Spread Guide** available at [www.anz.com.au/smartchoicesuper](http://www.anz.com.au/smartchoicesuper)

### LEVIES AND EXPENSE RECOVERIES

Where appropriate, levies and expense recoveries are deducted annually to recover some of the costs related to the running of the Retirement Portfolio Services super fund.

The cost of this levy for the 12 months to 30 June 2024 has been passed on by OnePath Custodians Pty Limited (the Trustee) of the Retirement Portfolio Service superannuation fund (the Fund) to its members as a 0.01288% p.a. charge applied against the investments of the Fund on 22 February 2024. This deduction did not include cash investment options and guaranteed products (which do not have a unit price).

To illustrate the impact of this deduction, for a member of the Fund with a \$50,000 balance, the cost of this deduction would be \$6.44.

Levies and expense recoveries are expected to increase to 0.03% p.a. for the year ended 30 June 2025. The actual levy charged will be confirmed as part of next year's annual statement.



## INSURANCE

### IMPORTANT CHANGES TO YOUR INSURANCE

#### Changes to insurance effective 1 October 2023

*These changes are only relevant for members where Zurich Australia Limited (Zurich) is the insurer.*

Following a review, and working with the insurer, Zurich, we made some changes to the insurance cover through ANZ Smart Choice Super account.

From 1 October 2023 there was a change to Insurance fees (premiums) for some members and/or the level of some insurance cover. There were also some changes to terms and conditions including improvements to Total and Permanent Disability (TPD) definitions, increasing the maximum entry age for death and TPD cover, increasing the maximum benefit payments for Terminal Illness and TPD cover and changes to interim accident cover.

Further information about these changes can be found in the letter we sent you in September 2023.

#### New insurance feature from 1 December 2023 – continuation of cover

*This change applies to members whose employer plans are insured with Zurich or another insurer.*

From 1 December 2023, we introduced a continuation of cover feature so that if your account ceases to be part of your employer's plan on or after this date, you'll keep your insurance cover (on a fixed cover basis) as long as you continue to be eligible for cover.

Zurich will be your insurer and you can amend or cancel your cover at any time.

Further information about this change can be found in the letter we sent you in November 2023.

For more information about your insurance cover, please refer to the relevant disclosure document depending on the product account you hold:

- ANZ Smart Choice Super and Pension Additional Information Guide (AIG)
- ANZ Smart Choice Super for employers and their employees Insurance Guide for Standard Plans
- ANZ Smart Choice Super for employers and their employees Insurance Guide for Tailored Plans

These are all available at [www.anz.com.au/smartchoicesuper](http://www.anz.com.au/smartchoicesuper) or you can request a copy by contacting Customer Services on 13 12 87.

### YOUR ANNUAL INSURANCE CHECK-UP

You may already have insurance cover within your super, but perhaps it's been a while since you checked if it's still the correct type and amount for you right now. After all, things change, and your insurance can change with it.

Consider taking the following easy check-up steps:

- ✓ **Do you know how much and the type of cover you have?** Your Annual Statement will have all the details (you can also see all your insurance details by logging in to your online account at any time).
- ✓ **Have you got more than one insurance policy?** You may have more than one super account with insurance or a stand-alone insurance policy, either with us or somewhere else. If you have multiple policies, you might be paying premiums for cover you may not need. In some cases, you may not be able to claim on multiple policies for similar types of cover.
- ✓ **If you do have more than one insurance policy,** before choosing to cancel any cover, check if your employer is paying any of your insurance premiums for you—it may be a benefit that influences the cover you keep. If you suffer from a pre-existing medical condition, consider whether you'll be eligible for the same level of cover if you cancel any existing insurance policy you have. The terms and conditions will also differ by policy.
- ✓ **Have your circumstances changed?** For example, an expanding family or a reduction in personal debt may influence your choice in the type and amount of cover you have. Our online insurance tool at [www.anz.com.au/superinsurancecalculator](http://www.anz.com.au/superinsurancecalculator) may help you to determine how much insurance cover you need and the type, based on your current circumstances.
- ✓ **Do you know how much you're paying in insurance premiums?** The more you pay in insurance premiums, means less going into retirement savings—but having the right amount of cover is important too. Premiums typically increase as you age, so checking in on your cover as your circumstances change will help strike the right balance between your retirement savings goals, and your current insurance needs.
- ✓ **Have we got all your correct details?** Depending on the type of cover you have, the cost of your insurance cover may depend on factors such as your age, gender, your type of job (occupation) or employment status etc. Check we have your up-to-date details by logging in to your online account at any time.
- ✓ **If you have Income Protection insurance** your benefit payment may reduce if you receive other income while you're not able to work due to illness or injury. Some examples of other income may include any regular income received from your employer (including sick leave) and payments made under any other similar policies.

To understand more about your super and your insurance cover, please refer to the relevant *Product Disclosure Statement*.

### DID YOU KNOW?

- You can check for other super accounts in your online account at [www.anz.com.au/smartchoiceaccess](http://www.anz.com.au/smartchoiceaccess) by selecting Consolidate Super.
- If you have multiple Income Protection Insurance policies, you can generally only claim on one.





## GENERAL

### CHANGES TO YOUR FUND ANNUAL REPORT

There will be some changes to how we provide the information that has previously been provided in your fund Annual Report. The Annual Report will be replaced by:

- Directors' Report available by 30 September 2024
- Fund information available by 31 December 2024.

These will be available at [www.anz.com.au/smartchoicesuper](http://www.anz.com.au/smartchoicesuper)

If you would like to receive printed copies, call us on 13 12 87 and we'll mail them to you.

### ANNUAL STATEMENTS AND COMMUNICATIONS ARE NOW ONLINE

In addition to annual statements, your letters are now provided for you to view online. We'll send you an email or SMS when your annual statement and letters are ready for you to view online - unless you have previously opted out. If you're yet to register for online access, register today and join our journey to a sustainable future as we go paperless at [www.anz.com.au/smartchoiceaccess](http://www.anz.com.au/smartchoiceaccess)

If you wish to opt out or back into digital communications, either log in or call Customer Services on 13 12 87. If we don't have your email address or mobile phone number, we'll continue to send you paper-based communications.

#### Contact us

If you have any questions, please:



Email [smartchoice@insigniafinancial.com.au](mailto:smartchoice@insigniafinancial.com.au)



Or call us on 13 12 87, weekdays from 8.30am to 6.30pm (AEST/AEDT)

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