

SIGNIFICANT EVENT NOTICE

Changes to asset allocation and risk labels

1 May 2023

At Active Super, we recognise that superannuation is a long-term investment and regularly review our investment strategy to ensure we continue to deliver the best possible investment returns that we can for our members.

Accordingly, we recently updated the asset allocation for our investment options with small changes to the allocation between growth and defensive assets. The impacted options and the changes made on 1 May 2023 were:

OPTION NAME	ASSET CLASS	OLD RANGE (%)	NEW RANGE (%)
High Growth	Private Credit	0 - 6	0 - 5
	Liquid Alternatives	0 - 5	0 - 0
Growth	Private Credit	0 - 6	0 - 5
	Liquid Alternatives	0 - 5	0 - 0
Balanced	Private Credit	0 - 6	0 - 5
	Liquid Alternatives	0 - 5	0 - 0
Conservative Balanced	Private Credit	0 - 6	0 - 5
	Liquid Alternatives	0 - 5	0 - 0
Conservative	International Listed Property	0 - 6	0 - 10
	Private Equity	0 - 7	0 - 5
	Short Term Fixed Interest	10 - 30	8 - 28
	Liquid Alternatives	0 - 5	0 - 0
	Infrastructure	2 - 12	0 - 10
	Cash	5 - 15	0 - 20

These changes will affect yearly projected returns, which in turn affects the risk label for the investment options. The changes to the risk labels are shown in the table below:

OPTION NAME	OLD RISK LABEL	NEW RISK LABEL
High Growth	High Projected 4.8 years of negative annual returns in any 20-year period	High Projected 4.7 years of negative annual returns in any 20-year period
Growth	High Projected 4.2 years of negative annual returns in any 20-year period	High Projected 4.1 years of negative annual returns in any 20-year period
Balanced	High Projected 4.2 years of negative annual returns in any 20-year period	High Projected 4.1 years of negative annual returns in any 20-year period
Conservative	Low to medium Projected 1.3 years of negative annual returns in any 20-year period	Low to medium Projected 1.6 years of negative annual returns in any 20-year period

For more information refer to the *How we invest your money* fact sheet for your investment strategy, available on the Active Super website.



WHAT IS ASSET ALLOCATION AND WHY DOES IT MATTER?

Asset allocation determines the percentage of money that the fund invests in different asset classes, so it's key to the overall investment performance of a super fund.

The term 'asset class' refers to a group of investments that share similar risk and return characteristics. Examples of different asset classes are shares, bonds, property, infrastructure and cash. Some asset classes are known as growth assets. They carry a higher level of risk for a potentially higher return. Other asset classes are known as defensive assets. They carry a lower level of risk with a potentially lower return. Furthermore, when some asset classes perform well, others might perform poorly. By diversifying our investments across more than one asset class, we aim to achieve better long-term returns for members.

The asset allocation for our different investment options varies depending on the investment objectives of the given option. The changes referred to above reflect a shift to more growth assets to assist us in achieving our investment objectives.

Want to see the asset allocation for your investment option(s)?

Use our interactive Super View tool to see where and how your money is invested, including asset allocation. Visit activesuper.com.au/superview

If you're not sure what investment option you are in, log into Member Online to find out or contact Member Care.