

# SIGNIFICANT EVENT NOTICE

Some changes you  
need to know

SIGNIFICANT EVENT NOTICE (SEN)

27 AUGUST 2021

The following pages outline important changes which may affect your account with NGS Super. All changes will be reflected in our Product Disclosure Statement dated 5 October 2021 available at [ngssuper.com.au/PDS](https://ngssuper.com.au/PDS)

This notice lists the following changes:

## Fees and costs

- Updated investment fees and costs

## Investment option changes

- Risk of negative return and risk rating changes
- Investment performance objective changes
- Asset allocation and range changes.

From 5 October 2021 our Target Market Determinations (TMDs) will be available at [ngssuper.com.au/TMD](https://ngssuper.com.au/TMD). We will also include a link to our TMDs in our Product Disclosure Statement and other promotional material.

## Fees and costs

We review and update our estimates of investment fees and costs after taking into account actual fees and costs from the previous financial year.

The revised estimates will apply from 5 October 2021, which is the issue date of our next Product Disclosure Statement (PDS).

Fees and costs can change for many reasons, including:

- changes to the weighting of investments allocated to each investment manager
- the addition of new investments and investment managers to the portfolio
- changes to how we collect data.

The primary objective for making changes to our investment portfolio is to seek improved long-term investment performance.

## Fees and costs (continued)

Our review of some options has resulted in an increase in estimated fees and costs effective from 5 October 2021. The updated estimates in the table below will be reflected in our fact sheet **Fees, costs and tax** available at [ngssuper.com.au/PDS](https://ngssuper.com.au/PDS) from 5 October 2021:

|                                      | Current fees and costs estimate |                   |                              | Fees and costs estimate from 5 October 2021 |                   |                              |
|--------------------------------------|---------------------------------|-------------------|------------------------------|---|-------------------|------------------------------|
|                                      | Investment fees and costs       | Transaction costs | Cost of product <sup>1</sup> | Investment fees and costs                   | Transaction costs | Cost of product <sup>1</sup> |
| <b>Accumulation and TTR accounts</b> |                                 |                   |                              |   |                   |                              |
| <b>Diversified (MySuper)</b>         | 0.62% p.a.                      | 0.07% p.a.        | \$460                        | 0.70% p.a.                                  | 0.09% p.a.        | \$510                        |
| <b>High Growth</b>                   | 0.66% p.a.                      | 0.08% p.a.        | \$485                        | 0.82% p.a.                                  | 0.09% p.a.        | \$570                        |
| <b>Infrastructure</b>                | 0.75% p.a.                      | 0.06% p.a.        | \$520                        | 0.84% p.a.                                  | 0.08% p.a.        | \$575                        |
| <b>Diversified Bonds</b>             | 0.35% p.a.                      | 0.01% p.a.        | \$295                        | 0.57% p.a.                                  | 0.04% p.a.        | \$420                        |
| <b>Income account</b>                |                                 |                   |                              |   |                   |                              |
| <b>Diversified</b>                   | 0.62% p.a.                      | 0.07% p.a.        | \$460                        | 0.71% p.a.                                  | 0.09% p.a.        | \$515                        |
| <b>High Growth</b>                   | 0.66% p.a.                      | 0.08% p.a.        | \$485                        | 0.82% p.a.                                  | 0.10% p.a.        | \$575                        |
| <b>Infrastructure</b>                | 0.75% p.a.                      | 0.06% p.a.        | \$520                        | 0.87% p.a.                                  | 0.10% p.a.        | \$600                        |
| <b>Diversified Bonds</b>             | 0.35% p.a.                      | 0.01% p.a.        | \$295                        | 0.57% p.a.                                  | 0.04% p.a.        | \$420                        |

1. The cost of product gives a summary calculation of how ongoing annual fees and costs can affect your super investment over a 1-year period. The cost of product information assumes a balance of \$50,000 at the beginning of the year. Read more in our fact sheet **Fees, costs and tax** available at [ngssuper.com.au/PDS](https://ngssuper.com.au/PDS)

## Investment option changes

The investment option changes below will be reflected in our [Investment guide](#) from 5 October 2021 available at [ngssuper.com.au/PDS](http://ngssuper.com.au/PDS)

### Risk of negative return and risk rating changes

We have a Standard Risk Measure (SRM) for each investment option, measured as the likely number of negative annual returns over a 20-year period. Our recent review has resulted in the SRM and risk rating (where applicable) being updated as shown in the following tables:

| Investment option                              | Risk of negative return |                     |
|--|-------------------------|---------------------|
|  | Current                 | From 5 October 2021 |
| Moderate Growth ( <i>Income account only</i> ) | 4.1 years in 20         | 4.5 years in 20     |
| Diversified/Diversified (MySuper)              | 4.1 years in 20         | 4.6 years in 20     |
| High Growth                                    | 4.6 years in 20         | 5.1 years in 20     |
| Balanced                                       | 3.5 years in 20         | 3.9 years in 20     |
| Defensive                                      | 2.3 years in 20         | 2.6 years in 20     |
| Socially Responsible Diversified               | 4.2 years in 20         | 4.6 years in 20     |
| Indexed Growth                                 | 5.1 years in 20         | 5.7 years in 20     |
| Retire Plus ( <i>Income account only</i> )     | 3.1 years in 20         | 3.5 years in 20     |
| Shares Plus                                    | 6.0 years in 20         | 6.6 years in 20     |
| Australian Shares                              | 6.9 years in 20         | 7.2 years in 20     |
| International Shares                           | 5.8 years in 20         | 6.5 years in 20     |
| Infrastructure                                 | 3.5 years in 20         | 4.6 years in 20     |
| Property                                       | 3.7 years in 20         | 4.6 years in 20     |
| Diversified Bonds                              | 3.0 years in 20         | 2.8 years in 20     |

| Investment option    | Risk rating    |                     |
|----------------------|----------------|---------------------|
|                      | Current        | From 5 October 2021 |
| International Shares | High           | Very high           |
| Infrastructure       | Medium to high | High                |
| Property             | Medium to high | High                |
| Diversified Bonds    | Medium to high | Medium              |

### Investment performance objective changes

We have changed the performance objectives for the following investment options:

| Investment option           | Investment performance objective   |  |
|-----------------------------|--|--|
|                             | Current  | From 5 October 2021  |
| <b>Australian Shares</b>    | To achieve a net return 1% p.a. above ASX300 Accumulation Index over rolling 10-year periods.                                    | Outperform S&P/ASX 300 Accumulation Index (adj. for franking credits, net of implied superannuation tax) over the medium to long term. |
| <b>International Shares</b> | To achieve a net return 1% p.a. above MSCI All Countries World Index (ACWI) in \$A (net dividends) over rolling 10-year periods. | Outperform MSCI ACWI ex Aust Index (in AUD, net of implied superannuation tax) over the medium to long term.                           |

## Asset allocation changes

We have changed the Strategic Asset Allocation (SAA) and Dynamic Asset Allocation (DAA) ranges for the following investment options:

### Pre-mixed options

| Asset class                   | High Growth |               |                     |               | Indexed Growth |               |                     |               |
|-------------------------------|-------------|---------------|---------------------|---------------|----------------|---------------|---------------------|---------------|
|                               | Current     |               | From 5 October 2021 |               | Current        |               | From 5 October 2021 |               |
|                               | SAA (%)     | DAA range (%) | SAA (%)             | DAA range (%) | SAA (%)        | DAA range (%) | SAA (%)             | DAA range (%) |
| Australian shares             | 28          | 20–45         | 28                  | 20–45         | 25.5           | 15–40         | 27.5                | 15–40         |
| International shares          | 32          | 20–45         | 32                  | 20–45         | 29.5           | 15–40         | 30.5                | 15–40         |
| Infrastructure                | 12          | 0–20          | 12                  | 0–20          | –              | –             | –                   | –             |
| Listed property               | –           | –             | –                   | –             | 9              | 0–20          | 9                   | 0–20          |
| Listed infrastructure         | –           | –             | –                   | –             | 9              | 0–20          | 9                   | 0–20          |
| Growth alternatives           | 13.5        | 0–40          | 13.5                | 0–40          | 0              | 0–10          | –                   | –             |
| Property                      | 3.5         | 0–20          | 3.5                 | 0–20          | –              | –             | –                   | –             |
| Bond alternatives             | 8           | 0–10          | 8                   | 0–20          | 0              | 0–10          | –                   | –             |
| Corporate bonds               | 2           | 0–15          | 2                   | 0–15          | 0              | 0–15          | –                   | –             |
| Government bonds              | 0           | 0–15          | 0                   | 0–15          | 10             | 0–40          | 10                  | 0–40          |
| Cash and term deposits        | 1           | 0–20          | 1                   | 0–20          | 17             | 0–20          | 14                  | 0–20          |
| <b>Total growth assets</b>    | <b>84.5</b> | <b>70–95</b>  | <b>85.3</b>         | <b>70–95</b>  | <b>73</b>      | <b>55–85</b>  | <b>76</b>           | <b>55–85</b>  |
| <b>Total defensive assets</b> | <b>15.5</b> | <b>5–30</b>   | <b>14.7</b>         | <b>5–30</b>   | <b>27</b>      | <b>15–45</b>  | <b>24</b>           | <b>15–45</b>  |
| Foreign currency exposure     | 20          | 0–55          | 20                  | 0–55          | 18             | 0–50          | 18.8                | 0–50          |

### Sector-specific options — all accounts

| Asset class                   | Infrastructure |               |                     |               | Property    |               |                     |               |
|-------------------------------|----------------|---------------|---------------------|---------------|-------------|---------------|---------------------|---------------|
|                               | Current        |               | From 5 October 2021 |               | Current     |               | From 5 October 2021 |               |
|                               | SAA (%)        | DAA range (%) | SAA (%)             | DAA range (%) | SAA (%)     | DAA range (%) | SAA (%)             | DAA range (%) |
| Unlisted infrastructure       | 85             | 50–100        | 50                  | 0–100         | –           | –             | –                   | –             |
| Listed infrastructure         | 10             | 0–30          | 45                  | 0–100         | –           | –             | –                   | –             |
| Listed property               | –              | –             | –                   | –             | 10          | 0–30          | 40                  | 0–100         |
| Property                      | –              | –             | –                   | –             | 85          | 50–100        | 55                  | 0–100         |
| Cash and term deposits        | 5              | 0–30          | 5                   | 0–30          | 5           | 0–30          | 5                   | 0–30          |
| <b>Total growth assets</b>    | <b>52.5</b>    | <b>35–70</b>  | <b>70</b>           | <b>50–100</b> | <b>52.5</b> | <b>35–70</b>  | <b>67.5</b>         | <b>50–100</b> |
| <b>Total defensive assets</b> | <b>47.5</b>    | <b>30–65</b>  | <b>30</b>           | <b>0–50</b>   | <b>47.5</b> | <b>30–65</b>  | <b>32.5</b>         | <b>0–50</b>   |
| Foreign currency exposure     | 0              | 0–30          | 0                   | 0–30          | 0           | 0–30          | 0                   | 0–30          |

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