



# Significant Event Notice.

For members of the Hostplus Superannuation and Personal Super Plan

17 August 2020

**i** This Significant Event Notice contains important updates relating to changes to the operation of the Hostplus Superannuation and Personal Super Plan which may impact your investment and related services. Please take the time to read through the important information provided and please refer to the new Hostplus Superannuation and Personal Super Plan Product Disclosure Statement (PDS) and Additional Information booklet dated 1 July 2020, and the Choiceplus PDS dated 1 July 2020 on our website.

## Changes to Hostplus investment options.

Hostplus investment options are designed with different investment objectives, strategies and risk profiles established by the trustee in consultation with our asset consultant, JANA Investment Advisers Pty Ltd. We closely monitor the overall investment profile in order to seek to achieve the outlined objective of each investment option. Strategies are amended from time to time to reflect changing circumstances in different markets.

From 19 June 2020, the following changes have been made to the strategic asset allocations and/or level of investment risk for 11 Hostplus investment options:

- Balanced (default option)
- Capital Stable
- Conservative Balanced
- Shares Plus
- Socially Responsible Investment (SRI) – Balanced
- Indexed Balanced
- Infrastructure
- BlackRock Asset Management – International Fixed Interest
- IFM – Australian Infrastructure
- Balanced Equity Management – Australian Shares
- Paradise Investment Management (Small Cap) – Australian Shares.

Balanced (default option)*						
Asset Mix	Disclosed 1 April 2020			From 19 June 2020		
	Asset Class	Range	Strategic Asset Allocation Benchmark	Asset Class	Range	Strategic Asset Allocation Benchmark
	Australian shares	15 – 45%	22%	Australian shares	10 – 40%	21%
	International Shares - Developed Markets	10 – 30%	22%	International shares - Developed Markets	10 – 40%	21%
	International Shares - Emerging Markets	0 – 15%	8%	International Shares - Emerging Markets	0 – 15%	8%
	Property	0 – 30%	13%	Property	0 – 30%	13%
	Infrastructure	0 – 30%	12%	Infrastructure	0 – 30%	12%
	Private Equity	0 – 15%	8%	Private Equity	0 – 20%	8%
	Credit	0 – 20%	7%	Credit	0 – 20%	7%
	Alternatives	0 – 20%	8%	Alternatives	0 – 20%	5%
	Diversified Fixed Interest	0 – 20%	0%	Diversified Fixed Interest	0 – 20%	0%
	Cash	0 – 10%	0%	Cash	0 – 15%	5%
	Growth assets		76%	Growth assets		76%
	Defensive assets		24%	Defensive assets		24%

Capital Stable*						
	Disclosed 1 April 2020			From 19 June 2020		
Asset Mix	Asset Class	Range	Strategic Asset Allocation Benchmark	Asset Class	Range	Strategic Asset Allocation Benchmark
	Australian Shares	5 – 20%	8%	Australian Shares	5 – 20%	8%
	International Shares - Developed Markets	5 – 15%	8%	International Shares - Developed Markets	5 – 15%	8%
	International Shares - Emerging Markets	0 – 5%	3%	International Shares - Emerging Markets	0 – 5%	3%
	Property	0 – 20%	10%	Property	0 – 20%	10%
	Infrastructure	0 – 20%	7%	Infrastructure	0 – 20%	7%
	Private Equity	0 – 5%	1%	Private Equity	0 – 5%	1%
	Credit	0 – 10%	8%	Credit	0 – 10%	8%
	Alternatives	0 – 20%	10%	Alternatives	0 – 20%	4%
	Diversified Fixed Interest	10 – 50%	20%	Diversified Fixed Interest	10 – 50%	26%
	Cash	10 – 40%	25%	Cash	10 – 40%	25%
	Growth assets		33%	Growth assets		34%
	Defensive assets		67%	Defensive assets		66%

Conservative Balanced*						
	Disclosed 1 April 2020			From 19 June 2020		
Level of investment risk	<b>Medium to high.</b> (Negative returns expected in between 3 to less than 4 out of every 20 years)			<b>Medium.</b> (Negative returns expected in between 2 to less than 3 out of every 20 years)		
Asset Mix	Asset Class	Range	Strategic Asset Allocation Benchmark	Asset Class	Range	Strategic Asset Allocation Benchmark
	Australian shares	10 – 30%	16%	Australian shares	10 – 30%	16%
	International shares - Developed Markets	10 – 25%	16%	International shares - Developed Markets	10 – 25%	16%
	International Shares - Emerging Markets	0 – 10%	6%	International Shares - Emerging Markets	0 – 10%	6%
	Property	0 – 20%	10%	Property	0 – 20%	10%
	Infrastructure	0 – 20%	8%	Infrastructure	0 – 20%	8%
	Private Equity	0 – 10%	2%	Private Equity	0 – 10%	2%
	Credit	0 – 10%	6%	Credit	0 – 10%	6%
	Alternatives	0 – 20%	6%	Alternatives	0 – 20%	5%
	Diversified Fixed Interest	10 – 40%	15%	Diversified Fixed Interest	10 – 40%	16%
	Cash	5 – 25%	15%	Cash	5 – 25%	15%
	Growth assets		52%	Growth assets		54%
	Defensive assets		48%	Defensive assets		46%

Shares Plus*						
Asset Mix	Disclosed 1 April 2020			From 19 June 2020		
	Asset Class	Range	Strategic Asset Allocation Benchmark	Asset Class	Range	Strategic Asset Allocation Benchmark
	Australian Shares	30 – 50%	30%	Australian shares	20 – 40%	30%
	International Shares - Developed Markets	20 – 40%	30%	International Shares - Developed Markets	20 – 40%	30%
	International Shares - Emerging Markets	0 – 15%	11%	International Shares - Emerging Markets	0 – 15%	11%
	Property	0 – 20%	8%	Property	0 – 20%	8%
	Infrastructure	0 – 20%	6%	Infrastructure	0 – 20%	6%
	Private Equity	0 – 15%	7%	Private Equity	0 – 15%	7%
	Credit	0 – 10%	6%	Credit	0 – 10%	6%
	Alternatives	0 – 10%	2%	Alternatives	0 – 10%	2%
	Diversified Fixed Interest	0 – 10%	0%	Diversified Fixed Interest	0 – 10%	0%
	Cash	0 – 10%	0%	Cash	0 – 10%	0%
	Growth assets		86%	Growth assets		89%
	Defensive assets		14%	Defensive assets		11%

\*These changes also apply to the Hostplus Life investment option which comprises the Balanced, Capital Stable, Conservative Balanced and Shares Plus options.

Socially Responsible Investment (SRI) – Balanced						
Asset Mix	Disclosed 1 April 2020			From 19 June 2020		
	Asset Class	Range	Strategic Asset Allocation Benchmark	Asset Class	Range	Strategic Asset Allocation Benchmark
	Australian Shares	15 - 45%	25%	Australian Shares	15 - 45%	25%
	International Shares - Developed Markets	15 - 45%	34%	International Shares - Developed Markets	15 - 45%	34%
	International Shares - Emerging Markets	0 - 20%	3%	International Shares - Emerging Markets	0 - 20%	3%
	Property	0 - 20%	5%	Property	0 - 20%	5%
	Infrastructure	0 - 20%	4%	Infrastructure	0 - 20%	4%
	Private Equity	0 - 20%	0%	Private Equity	0 - 20%	0%
	Credit	0 - 20%	8%	Credit	0 - 20%	8%
	Alternatives	0 - 20%	2%	Alternatives	0 - 20%	2%
	Diversified Fixed Interest	0 - 30%	17%	Diversified Fixed Interest	0 - 30%	17%
	Cash	0 - 20%	2%	Cash	0 - 20%	2%
	Growth assets		69%	Growth assets		72%
	Defensive assets		31%	Defensive assets		28%

Indexed Balanced						
	Disclosed 1 April 2020			From 19 June 2020		
Asset Mix	Asset Class	Range	Strategic Asset Allocation Benchmark	Asset Class	Range	Strategic Asset Allocation Benchmark
	Australian Shares	25 – 55%	32%	Australian Shares	25 – 55%	32%
	International Shares - Developed Markets	25 – 55%	43%	International Shares - Developed Markets	25 – 55%	43%
	International Shares - Emerging Markets	0 – 10%	0%	International Shares - Emerging Markets	0 – 10%	0%
	Diversified Fixed Interest	10 – 30%	15%	Diversified Fixed Interest	10 – 30%	17%
	Cash	0 – 20%	10%	Cash	0 – 20%	8%
	Growth assets		75%	Growth assets		75%
	Defensive assets		25%	Defensive assets		25%

Infrastructure						
	Disclosed 1 April 2020			From 19 June 2020		
Level of investment risk	High. (Negative returns expected in between 4 to less than 6 out of every 20 years)			Medium to high. (Negative returns expected in between 3 to less than 4 out of every 20 years)		
Asset Mix	Asset Class	Range	Strategic Asset Allocation Benchmark	Asset Class	Range	Strategic Asset Allocation Benchmark
	Infrastructure	0 – 100%	100%	Infrastructure	0 – 100%	100%
	Growth assets		55%	Growth assets		60%
	Defensive assets		45%	Defensive assets		40%

BlackRock Asset Management – International Fixed Interest						
	Disclosed 1 April 2020			From 19 June 2020		
Level of investment risk	Medium to high. (Negative returns expected in between 3 to less than 4 out of every 20 years)			High. (Negative returns expected in between 4 to less than 6 out of every 20 years)		

IFM – Australian Infrastructure						
	Disclosed 1 April 2020			From 19 June 2020		
Level of investment risk	High. (Negative returns expected in between 4 to less than 6 out of every 20 years)			Medium to high. (Negative returns expected in between 3 to less than 4 out of every 20 years)		
Asset Mix	Asset Class	Range	Strategic Asset Allocation Benchmark	Asset Class	Range	Strategic Asset Allocation Benchmark
	Infrastructure	0 – 100%	100%	Infrastructure	0 – 100%	100%
	Growth assets		55%	Growth assets		60%
	Defensive assets		45%	Defensive assets		40%

Balanced Equity Management – Australian Shares		
	Disclosed 1 April 2020	From 19 June 2020
Level of investment risk	<b>Very high.</b> (Negative returns expected in between 6 or greater out of every 20 years)	<b>High.</b> (Negative returns expected in between 4 to less than 6 out of every 20 years)

Paradise Investment Management (Small Cap) – Australian Shares		
	Disclosed 1 April 2020	From 19 June 2020
Level of investment risk	<b>Very high.</b> (Negative returns expected in between 6 or greater out of every 20 years)	<b>High.</b> (Negative returns expected in between 4 to less than 6 out of every 20 years)

Please refer to section 5 of the Hostplus Superannuation and Personal Super Plan Product Disclosure Statement (PDS) and Additional Information booklet, dated 1 July 2020, for full details of the each investment option's strategic asset allocations and levels of investment risk.

### New Responsible Investment Policy

As of 15 May 2020, Hostplus adopted a new Responsible Investment Policy which replaces its previous Environmental, Social and Governance (ESG) Policy.

Responsible investment practices are an important part of our investment approach that help us better manage risk and optimise retirement outcomes for our members.

Our approach to responsible investment is informed by our responsible investment beliefs and implemented through an approach based on four pillars – environmental, social and governance (ESG) integration; active ownership; building Australia's future; and member values.

Our Responsible Investment Policy can be found on our website at [hostplus.com.au/super/about-us/investment-governance](https://hostplus.com.au/super/about-us/investment-governance) and please refer to section 5.22 of the Hostplus Superannuation and Personal Super Plan Additional Information booklet, dated 1 July 2020, for further information.

### Change of insurer for SalarySafe Income Protection insurance

SalarySafe income protection insurance applies to members who have joined Hostplus through an employer who was previously a default employer of Club Super.

SalarySafe was provided by Lloyds Canopus Syndicate 4444 until 30 June 2020 and from 1 July 2020, the terms of this insurance cover were taken over by Hostplus' insurance provider, MetLife Insurance Limited (MetLife) ABN 75 004 274 882, AFSL 238096 (insurer).

### Changes to SalarySafe Income Protection insurance mental health exclusion

Effective from 1 October 2020, the following SalarySafe Income Protection insurance exclusion will no longer apply and will cease to have effect:

"This Policy shall not apply to any Injury or Sickness directly caused by or resulting from:

- An insured member suffering from:
  - Any psychological conditions; and/or
  - Stress related conditions; and/or
  - Stress related physical fatigue conditions,

including but not limited to depression, neurosis, psychosis, mental or emotional stress or anxiety conditions, chronic fatigue or mental disease and associated disorders, unless the insured member is in receipt of Workers' Compensation benefits for that condition."

### Changes to SalarySafe Income Protection insurance premium rates

The removal of the mental health exclusion will enable members covered for SalarySafe income protection insurance to claim for mental health related conditions from 1 October 2020, unless that condition is excluded as a pre-existing sickness. As the removal of this mental health exclusion is expected to result in additional claims being paid by the insurer, premium rates are required to increase by 29% from 1 October 2020.

SalarySafe premiums are based on your employer superannuation guarantee contribution, multiplied by a premium rate. The following table details the premium rates that currently apply for each SalarySafe waiting period, and the rates that will apply from 1 October 2020.

Premium rates for each Waiting Period		
Waiting Period	Current	From 1 October 2020
28 days *	9.17%	11.83%
30 days	8.26%	10.65%
60 days	6.88%	8.87%
90 days	5.50%	7.10%

\* You automatically receive a 28 day waiting period unless you elect another waiting period.

### **Addition to terms and conditions of the Choiceplus investment option**

Effective from 19 June 2020, Hostplus has introduced the following new terms and conditions under the heading "General terms", on page 27 of the Hostplus Choiceplus PDS, dated 1 July 2020:

#### **"Changes to your investments and the investment menu**

We regularly review the list of available investments and may add/remove individual investments.

In the event that you hold an investment in your portfolio that is outside the list of available investments, or outside the maximum investment thresholds set out in our Trading restrictions (see page 12) or an investment can no longer be supported by the platform, Hostplus retains the right at its discretion to redeem an investment and credit the proceeds to your transaction account and you will be taken to have given us a standing instruction to do so in these circumstances. Such decisions will not be made lightly and will be made in accordance with our trustee responsibility of acting in the best interests of Hostplus members. We will try to contact you prior to selling any of your holdings in Choiceplus."

For further information, please read the Hostplus Superannuation and Personal Super Plan Product Disclosure Statement, dated 1 July 2020 and the Choiceplus Product Disclosure Statement, dated 1 July 2020. Each of Hostplus Superannuation and Personal Super Plan and Choiceplus is issued by Host-Plus Pty Limited ABN 79 008 634 704, AFSL No.244392, as trustee for the Hostplus Superannuation Fund (the Fund) ABN 68 657 495 890, MySuper No. 68657495890198. This information is general advice only and does not take into account your personal objectives, financial situation or needs. You should consider if this information is appropriate for you in light of your circumstances before acting on it. Please read the Hostplus Superannuation and Personal Super Plan and Choiceplus Product Disclosure Statement, available at [hostplus.com.au](http://hostplus.com.au) before making a decision about Hostplus. INH1304 0820