



# Significant Event Notice.

For members of the Hostplus Superannuation and Personal Super Plan

14 September 2021

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**i** This Significant Event Notice contains important updates relating to changes to 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 Hostplus Superannuation and Personal Super Plan Product Disclosure Statement (PDS) dated 1 July 2021 and the Additional Information booklet dated 1 July 2021 on our website.

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### **1. Changes to some of Hostplus investment options' investment strategy objectives, risk profiles and strategic asset allocations.**

Hostplus' investment options are designed with different investment objectives, strategies and risk profiles established by the Trustee.

We closely monitor the overall investment profile, and from time to time amend the investment strategy to reflect changing circumstances in markets, in order to achieve the outlined objective of each investment option.

These changes were updated in the 1 July 2021 PDS edition.

Effective from 1 July 2021, some changes (highlighted) have been made to the following Hostplus investment options:

	Balanced (default option)				Capital stable				Conservative Balanced				Socially Responsible Investment (SRI) - Balanced				Indexed Balanced				Shares Plus			
	From 1 July 2021		Prior to 1 July 2021		From 1 July 2021		Prior to 1 July 2021		From 1 July 2021		Prior to 1 July 2021		From 1 July 2021		Prior to 1 July 2021		From 1 July 2021		Prior to 1 July 2021		From 1 July 2021		Prior to 1 July 2021	
<b>Return target</b>	CPI plus 4% per annum on average over 20 years.		CPI plus 4% per annum on average over 20 years.		CPI plus 2.0% per annum on average over 20 years.		CPI plus 2.5% per annum on average over 20 years.		CPI plus 3.0% per annum on average over 20 years.		CPI plus 3.0% per annum on average over 20 years.		CPI plus 3.0% per annum on average over 20 years.		CPI plus 3.5% per annum on average over 20 years.		CPI plus 2.5% per annum on average over 20 years.		CPI plus 2.5% per annum on average over 20 years.		CPI plus 4.5% per annum on average over 20 years.		CPI plus 4.5% per annum on average over 20 years.	
	CPI plus 3% per annum on average over 10 years.		CPI plus 3% per annum on average over 10 years.																					
<b>Level of investment risk</b>	Medium to High. (Negative returns expected in between 3 to less than 4 out of every 20 years)		Medium to High. (Negative returns expected in between 3 to less than 4 out of every 20 years)		Low to Medium. (Negative returns expected in between 1 to less than 2 out of every 20 years)		Low to Medium. (Negative returns expected in between 1 to less than 2 out of every 20 years)		Medium. (Negative returns expected in between 2 to less than 3 out of every 20 years)		Medium. (Negative returns expected in between 2 to less than 3 out of every 20 years)		High. (Negative returns expected in between 4 to less than 6 out of every 20 years)		High. (Negative returns expected in between 4 to less than 6 out of every 20 years)		High. (Negative returns expected in between 4 to less than 6 out of every 20 years)		High. (Negative returns expected in between 4 to less than 6 out of every 20 years)		High. (Negative returns expected in between 4 to less than 6 out of every 20 years)		High. (Negative returns expected in between 4 to less than 6 out of every 20 years)	
<b>Asset mix</b>																								
Asset Class	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark
Australian Shares	10–40%	21%	10–40%	21%	5–20%	8%	5–20%	8%	10–30%	16%	10–30%	16%	15–50%	25%	15–50%	23%	25–55%	35%	25–55%	32%	20–40%	30%	20–40%	30%
International Shares - Developed Markets	10–40%	21%	10–40%	21%	5–15%	8%	5–15%	8%	10–25%	16%	10–25%	16%	15–50%	30%	15–50%	32%	25–55%	40%	25–55%	43%	20–40%	30%	20–40%	30%
International Shares - Emerging Markets	0–15%	8%	0–15%	8%	0–5%	3%	0–5%	3%	0–10%	6%	0–10%	6%	0–20%	0%	0–20%	0%	0–10%	0%	0–10%	0%	0–15%	11%	0–15%	11%
Property	0–30%	11%	0–30%	13%	0–20%	9%	0–20%	10%	0–20%	9%	0–20%	10%	0–20%	10%	0–20%	10%					0–20%	7%	0–20%	8%
Infrastructure	0–30%	11%	0–30%	12%	0–20%	9%	0–20%	7%	0–20%	9%	0–20%	8%	0–20%	10%	0–20%	10%					0–20%	7%	0–20%	6%
Private Equity	0–20%	10%	0–20%	8%	0–5%	1%	0–5%	1%	0–10%	3%	0–10%	2%	0–20%	10%	0–20%	10%					0–15%	8%	0–15%	7%
Credit	0–20%	7%	0–20%	7%	0–10%	8%	0–10%	8%	0–10%	6%	0–10%	6%	0–20%	0%	0–20%	0%					0–10%	5%	0–10%	6%
Alternatives	0–20%	3%	0–20%	5%	0–20%	7%	0–20%	4%	0–20%	6%	0–20%	5%	0–20%	0%	0–20%	0%					0–10%	2%	0–10%	2%
Diversified Fixed Interest	0–20%	3%	0–20%	0%	10–50%	24%	10–50%	26%	10–40%	15%	10–40%	16%	0–20%	10%	0–20%	10%	10–30%	17%	10–30%	17%	0–10%	0%	0–10%	0%
Cash	0–15%	5%	0–15%	5%	10–40%	23%	10–40%	25%	5–25%	14%	5–25%	15%	0–20%	5%	0–20%	5%	0–20%	8%	0–20%	8%	0–10%	0%	0–10%	0%
<b>Growth assets</b>	76%		76%		35%		34%		55%		54%		74%		76%		75%		75%		89%		89%	
<b>Defensive assets</b>	24%		24%		65%		66%		45%		46%		26%		24%		25%		25%		11%		11%	

Effective from 1 July 2021, some changes (highlighted) have been made to the following Hostplus investment options:

Option	Return target CPI+ Objective from 1 July 2021	Return target CPI+ Objective prior to 1 July 2021	Level of investment risk (Standard Risk Measure) from 1 July 2021	Level of investment risk (Standard Risk Measure) prior to 1 July 2021
<b>Cash</b>	CPI minus 0.5% per annum on average over 20 years.	CPI plus 0% per annum on average over 20 years.	Very Low. (Negative returns expected in less than 0.5 out of every 20 years)	Very Low. (Negative returns expected in less than 0.5 out of every 20 years)
<b>Diversified Fixed Interest</b>	CPI per annum on average over 20 years.	CPI plus 0.5% per annum on average over 20 years.	Medium to High. (Negative returns expected in between 3 to less than 4 out of every 20 years)	Medium to High. (Negative returns expected in between 3 to less than 4 out of every 20 years)
<b>Property</b>	CPI plus 2.0% per annum on average over 20 years.	CPI plus 2.0% per annum on average over 20 years.	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)
<b>Infrastructure</b>	CPI plus 2.0% per annum on average over 20 years.	CPI plus 2.5% per annum on average over 20 years.	Medium to High. (Negative returns expected in between 3 to less than 4 out of every 20 years)	Medium to High. (Negative returns expected in between 3 to less than 4 out of every 20 years)
<b>Australian Shares</b>	CPI plus 4.5% per annum on average over 20 years.	CPI plus 5.0% per annum on average over 20 years.	High. (Negative returns expected in between 4 to less than 6 out of every 20 years)	High. (Negative returns expected in between 4 to less than 6 out of every 20 years)
<b>International Shares – Indexed</b>	CPI plus 2.0% per annum on average over 20 years.	CPI plus 2.5% per annum on average over 20 years.	Very High. (Negative returns expected in between 6 or greater out of every 20 years)	High. (Negative returns expected in between 4 to less than 6 out of every 20 years)
<b>International Shares (Hedged) – Indexed</b>	CPI plus 2.0% per annum on average over 20 years.	CPI plus 2.5% per annum on average over 20 years.	Very High. (Negative returns expected in between 6 or greater out of every 20 years)	Very High. (Negative returns expected in between 6 or greater out of every 20 years)
<b>Macquarie Investment Management – Australian Fixed Interest</b>	CPI minus 0.5% per annum on average over 20 years.	CPI plus 0% per annum on average over 20 years.	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)
<b>BlackRock Asset Management – International Fixed Interest</b>	CPI minus 0.5% per annum on average over 20 years.	CPI plus 0% per annum on average over 20 years.	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)
<b>Industry Super Property Trust – Property</b>	CPI plus 2.0% per annum on average over 20 years.	CPI plus 2.0% per annum on average over 20 years.	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)
<b>Lendlease managed Australian Prime Property Funds (Retail, Commercial &amp; Industrial) – Property</b>	CPI plus 2.0% per annum on average over 20 years.	CPI plus 2.0% per annum on average over 20 years.	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)
<b>IFM – Australian Infrastructure</b>	CPI plus 2.0% per annum on average over 20 years.	CPI plus 2.5% per annum on average over 20 years.	Medium to High. (Negative returns expected in between 3 to less than 4 out of every 20 years)	Medium to High. (Negative returns expected in between 3 to less than 4 out of every 20 years)
<b>IFM – Australian Shares</b>	CPI plus 3.5% per annum on average over 20 years.	CPI plus 4.0% per annum on average over 20 years.	Very High. (Negative returns expected in between 6 or greater out of every 20 years)	High. (Negative returns expected in between 4 to less than 6 out of every 20 years)
<b>Paradice Investment Management (Small Cap) – Australian Shares</b>	CPI plus 4.5% per annum on average over 20 years.	CPI plus 5.0% per annum on average over 20 years.	Very High. (Negative returns expected in between 6 or greater out of every 20 years)	High. (Negative returns expected in between 4 to less than 6 out of every 20 years)
<b>Neuberger Berman – International Shares</b>	CPI plus 4.0% per annum on average over 20 years.	CPI plus 4.5% per annum on average over 20 years.	High. (Negative returns expected in between 4 to less than 6 out of every 20 years)	High. (Negative returns expected in between 4 to less than 6 out of every 20 years)

## 2. The investment relationship between Hostplus' Balanced option and new retirement option, CPIplus.

CPIplus is a new Account Based Pension only investment option introduced from 1 July 2021, designed to offer returns that are more certain and less volatile for pension members.

The assets in the CPIplus option are invested in the same pool and alongside Hostplus' Balanced option (in the Pension phase), which is the same pool of assets which the Fund's Balanced option assets (in the Accumulation and Transition to Retirement phases) are also invested in. Through an internal investment mechanism that sets and regulates the predetermined return for the CPIplus option, the Balanced option (in the Accumulation phase) provides investors in the CPIplus option the predetermined return irrespective of market and performance outcomes.

While the return to the CPIplus option is predetermined, the Balanced option (in the Accumulation phase) receives the benefit of any excess market returns generated on the underlying assets of the CPIplus option. If, however, the investment return generated on the underlying assets of the CPIplus option falls short of the predetermined return, the Balanced option (in the Accumulation phase) makes up the shortfall. This mechanism could therefore result in the Balanced option (in the Accumulation phase) returns being either increased or decreased, depending on how the market returns compare to the predetermined returns.

Please refer to section 5.28 of the Additional Information booklet "How we invest your money" available at [hostplus.com.au/pds](http://hostplus.com.au/pds)

## 3. Additional information in the Choiceplus guide.

From 1 July 2021 Hostplus has determined that participation in class actions will not be made available on the Choiceplus platform. This change was made to page 8 of the Choiceplus guide, under the new heading '**Corporate actions, Class actions and proxy voting.**'

For further information, please read the Hostplus Superannuation and Personal Super Plan Product Disclosure Statement (PDS) dated 1 July 2021, the Additional Information booklet dated 1 July 2021 and Choiceplus Guide, dated 1 July 2021.

Each of the Hostplus Superannuation and Personal Super Plan and Choiceplus are 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 Product Disclosure Statement and Choiceplus Guide, available at [hostplus.com.au](http://hostplus.com.au) before making a decision about Hostplus. 1507.0 ISS1 0921