



Rest Annual Report

1 July 2017 – 30 June 2018

www.rest.com.au
30 November 2018

Together towards tomorrow

Rest

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For Acumen members, there are two parts to the Annual Report. This document is the first part and the AQ Update is the second part. For all other members, this document is the complete Annual Report.

Rest Annual Report 2018: Any advice contained in this document is general advice and has been prepared without taking into account your objectives, financial situation or needs. Before acting on the advice, you should consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. For more information about any of our products, contact us for a copy of the Product Disclosure Statement. You should read the Product Disclosure Statement before making any decision about whether to acquire or continue to hold the product. The Trustee has no relationships or associations with any other product issuer that might reasonably be expected to influence us in the provision of the advice. Representatives of Rest are paid a salary and do not receive any commissions or fees for the advisory services provided to you. They may however receive a performance-related bonus that takes into account the financial services provided. No commissions or fees are paid for the financial product advice we provide, either to representatives or to third parties. Issued by Retail Employees Superannuation Pty Ltd, ABN 39 001 987 739, AFSL 240003, as the Trustee of the Retail Employees Superannuation Trust ("Rest"), ABN 62 653 671 394.

Overview for Rest in 2018

 **51.6 billion**
worth of funds under management*

Total number of Rest members is more than

1.95 million*



60%
are female members*



76%
of members are insured*



163,711

Live Chats answered via the website†

Rest

89,988

Rest App registered users*



50%
of members are younger than 30*

Approximately

170,000

employers use Rest*



262,972

questions asked of our virtual agent 'Roger'†



5,522

Statements of Advice provided†

* As at 30 June 2018

† During 1 July 2017 to 30 June 2018

Message from the CEO



Vicki Doyle
Chief Executive Officer

It's my great pleasure to present Rest's Annual Report for the 2017/18 financial year; detailing what has been a truly remarkable period in the fund's evolution.

This is also my first Annual Report as Rest's new CEO, so this is a welcome opportunity to introduce myself to you.

I'm delighted to join Rest. We are one of Australia's largest funds and have a strong track-record of long-term performance and innovation. This year delivered another strong investment performance, with our Core Strategy returning 8.76 per cent for the year, the ninth-consecutive year of positive returns.

We're also a fund with a deep heritage as one of the pioneers within the superannuation industry.

Our members come from all walks of life and all corners of the country. As the default fund for the retail industry, many Australians, from capital cities to small country towns, took their first steps in the workforce with Rest as their super fund.

Around 60 per cent of our members are women, and many members work in part-time and casual jobs. Half our members are younger than 30 years old.

It's a tremendous responsibility to manage the retirement savings of around one-in-six working Australians¹. But that responsibility is why I'm proud to be part of the superannuation industry, because I believe we can make a real difference in people's lives.

Connecting you with your super

It's certainly been an eventful year for both Rest and the superannuation industry.

The advent of the Royal Commission into Financial Services, the Productivity Commission's interim report into the industry, and the Australian Government's Protecting Your Superannuation Package, all signalled some potentially fundamental changes on the horizon.

While it's important to recognise the potential impacts of these changes, we can't forget that the need to better engage with our members is as strong as ever.

There is still a tremendous opportunity for the industry to demystify superannuation and insurance for every Australian, so they can progress through their lives with greater confidence in their financial future.

It's crucial that funds like ours continually develop smarter ways to communicate and connect with members and their employers, to empower them to take control of their retirement savings. In 2017/18, Rest made great strides on this front.

We have made significant investments into our digital customer experience strategy, including the launch of the Rest App for smartphones, and the integration of our virtual agent Roger into Google Home.

During the financial year, we had nearly 90,000 registered users of the Rest App, more than 160,000 Live Chats answered via the Rest website, and more than 260,000 questions posed to our virtual agent Roger. We also delivered more than 3,000 Statements of Advice to members from digital sources.

It's exciting to see how these innovations have already helped so many of our members take superannuation out of the 'too-hard basket'.

It was also rewarding to see our digital customer service initiatives recognised with the Rainmaker SelectingSuper Innovation Award for Millennial Superannuation and a *Money* magazine 'Best of the Best Award'.

The importance of insurance

We also protect our members' financial security through insurance – including their most important asset: the ability to earn an income. We insure around 1.5 million members – approximately one-in-eight working Australians².

In 2017/18, we redesigned our insurance offering to Rest Super members to remove complex policy rules to provide greater certainty of cover, while also ensuring it still met the needs of those members.

We are one of the first funds in Australia to introduce Plain English definitions to our insurance guides and product disclosure statements.

Consistent with our commitment to improving customer experience, we also took steps to help make it easier for members to manage their insurance. Members can opt out or reduce their cover online, over the phone, via the Rest App or email, and apply to increase their cover at any time to suit their needs.

Members can read more details about these changes, which came into effect on 1 December 2017, in this report.

A new look for Rest

All these achievements are crystallised in perhaps the most striking change for Rest in 2017/18: our new brand.

We embarked on this major rebrand – the first since the fund's inception in 1988 – to properly express the evolution of our customer experience strategy and position ourselves as leader of tomorrow's superannuation industry.

This new identity is all about openness, simplicity and encouragement. It represents our commitment to connect with everyday Australians in meaningful ways, to help them engage with their financial future.

Acknowledgements

I would like to pay tribute to my predecessor Damian Hill, who departed Rest in January 2018 after more than 19 years, including 11 years as CEO. Damian made an enormous contribution to Rest, and provided great impetus for the fund to begin this current stage of evolution.

I'm grateful to Damian for the great progress we've already made, as well as the strong foundations in place for the future.

I'd also like to thank Rest Board Directors Geoffrey Williams, Sue-Anne Burnley and Duncan Shaw, who all departed Rest after many years of service. They all made immense contributions to Rest and also have my gratitude.

What comes next?

As we look ahead to the future, Rest will be continuing to build on the achievements of 2017/18.

We continue our drive to connect with and empower our members to take control of their superannuation. We'll also continue to build our connections to employers so we can make it easier for them to work with us.

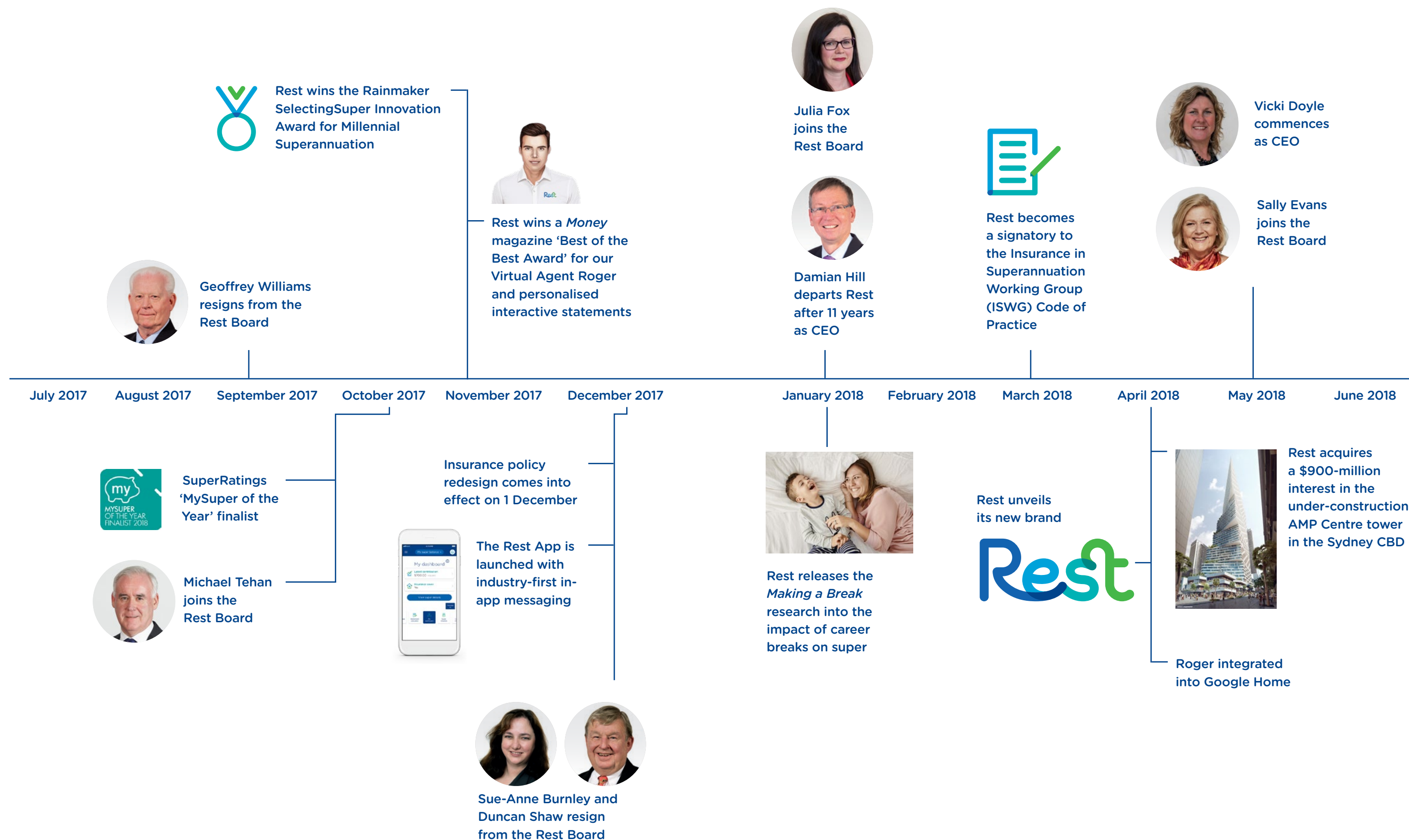
We will continue to build capabilities to deliver a better customer experience, whether it's by ramping up the provision of advice, or developing smarter ways to engage with members.

Most importantly, we remain focused on delivering strong net returns and insurance protection over the longer term. It's truly an exciting time for Rest and our members.

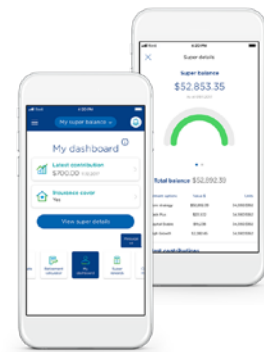
¹ As at 30 June 2018, Rest's membership was approximately 1.95 million and Australia's labour force comprised approximately 12.57 million seasonally adjusted employed persons ('6202.0 - Labour Force, Australia, Jun 2018', Australian Bureau of Statistics, 19 July 2018).

² As at 30 June 2018, Australia's labour force comprised approximately 12.57 million seasonally adjusted employed persons ('6202.0 - Labour Force, Australia, Jun 2018', Australian Bureau of Statistics, 19 July 2018).

Year in review



Strong customer focus



A fresh look for Rest

This year, REST Industry Super transformed into Rest, following the fund's first major rebrand since it was established in 1988.

Rest is founded on a commitment to offer our members low fees and competitive long-term performance. A strong brand helps ensure we retain and attract members and provide them with the tools and advice to work together towards tomorrow.

The new brand represents our evolution and response to customer expectations and needs. It reflects our strategic direction and strong customer focus, particularly the smart, new ways we are connecting and communicating with members and employers.

The new logo and visual identity are designed to be expressions of our optimistic, straightforward and encouraging personality.

The refreshed look and feel is underpinned by significant investments in customer experience technology, services and offerings that benefit members and employers.

With around 90 per cent of Australians owning a smartphone¹, and around 80 per cent using the internet to conduct their banking², it's clear that today's consumers are accustomed to managing their financial services via technology.

We must ensure we are interacting with our members and our employers on their terms and in their own time, and provide them with information that helps them to make decisions and take control of their super.

Accordingly, Rest's new brand reflects the evolution in how we interact across a multitude of channels.

These include our enhanced digital options like the Live Chat function on our website, interactive online member statements, Rest Online Advice and the new Rest App with an industry-leading in-app messenger.

We continue to develop and implement innovative and intuitive tools to communicate with members as we enter this next phase of our journey.

Rest launches industry-leading app

In December 2017, Rest launched an app to connect with, engage and better serve our members.

With more than half of our members younger than 30, and three-quarters younger than 40, providing a 24-seven user experience is key to helping members take ownership of their superannuation.

The Rest App aims to provide members with greater visibility and accessibility of their accounts so they are empowered to play a more active role in planning for their future. It allows members to review their account balances and insurance coverage, and consolidate their accounts.

Members can also ask questions via an industry-first real-time messaging function built into the app.

Roger available through Google Home

In another example of Rest's innovative customer service approach, Rest integrated its online virtual assistant, 'Roger', into Google Home in April 2018.

Roger was launched by Rest in January 2017 to answer commonly asked questions from visitors to the Rest website. During 2017/18, Roger answered more than 260,000 questions and was recognised with a *Money* magazine 'Best of the Best Award' in November.

Now, members with Google Home can connect with Roger by simply saying: "Okay Google, talk to Rest super".

It's another way for members to connect with Rest at times convenient to them, and in ways that are relevant to their lifestyles.

Roger can respond to 96 per cent of questions posed to it online and, thanks to its artificial intelligence capabilities, it can continue to learn and improve over time. This will help expand the range of topics Roger can respond to and drive the development of new functionality.

Snapshot on customer service

In 2017/18...



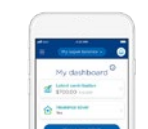
Roger had **121,500** conversations and answered **262,972** questions



Rest conducted **163,711** online Live Chats



There were **89,988** registered users of the Rest App



Rest handled **34,534** in-app messages

¹ 'Mobile Consumer Survey 2017 - The Australian Cut', Deloitte, 21 November 2017

² '8146.0 -Household Use of Information Technology, Australia, 2016-17', Australian Bureau of Statistics, 28 March 2018

The value of insurance

Protecting your greatest asset

While most Australians aged 18-34 understand the importance of insuring their tablets and smartphones, it seems that fewer see the true value of protecting their greatest asset: their ability to earn an income.

Research commissioned by Rest in November 2017 revealed that young Australians are more likely to insure their personal possessions than their income.

More than half (51 per cent) of 18-34-year-olds who took part in the research said they had insurance for their gadgets, or their home and contents. By comparison, only 36 per cent said they had some form of income protection insurance.

Despite this, nearly 90 per cent of the young Australians surveyed also indicated they participated in risky behaviours – from binge drinking to extreme sports – that could result in an injury or illness leading to a temporary or permanent inability to earn an income.

The research also revealed that 18-34-year-olds would only be able to support themselves for an average of 72 days – around 10 weeks – if they were injured or sick, and unable to work.

This period of 'self-sufficiency' decreased with the age of the respondents. The average period for 18-24-year-olds was only 56 days – or eight weeks.

When you consider that the average Rest income protection claim for under 25s extends to 34 months, those without insurance would face more than two-and-a-half years without any income and would have to find support from other sources.

If they were in a situation like this, more than half of young Australians (52 per cent) indicated that they'd rely on support from their family or friends, while 28 per cent would sell their possessions and 25 per cent would take out loans or use their credit cards to tide them over.

Clearly, many young Australians have the attitude of 'it will never happen to me' and are unaware of the value of insurance to ensure they are supported financially during a typically lengthy recovery period.

Insurance and superannuation might not be your top priorities when you're young. But it's about safeguarding your future – stuff happens.

Having income protection insurance could be the difference between sustaining your lifestyle and financial security, and relying on credit, or your family and friends, just to get by.

About the research

The survey was conducted by Lonergan Research between 17 November and 23 November 2017 of 1,034 Australians (both males and females) aged between 18 and 34 to explore millennials' attitudes regarding their lifestyle.

Insurance for 18-34-year-olds

51%
insure their home & contents, or gadgets

36%
have income protection insurance

88%
participate in high-risk behaviours like binge drinking and extreme sports

52%
would rely on their family and friends for financial support if they couldn't work due to illness or injury

10 weeks
is the average period a young Australian could support themselves if they couldn't work

To find out more about your insurance, you can visit www.rest.com.au, or review our Insurance Guide and Product Disclosure Statement. You can also find out what type and level of insurance you have on the Rest App, via MemberAccess, or on your member statement.

Simplifying your insurance

Rest redesigned our Rest Super insurance offering in 2017, removing complex rules in the policies to provide greater certainty of cover, while also ensuring it still met the needs of our members.

The changes introduced Plain English definitions to our insurance guides and product disclosure statements. Rest was one of the first funds to simplify these documents in this way.

Rest also enhanced the life-stage design of our insurance. Now, a Rest member's insurance cover automatically adjusts on their birthday, and the cost may change according to their age. Rest offers a modest amount of Death and TPD cover to our younger members. This cover increases as you age, when your financial commitments are usually greater and there is an increased dependency on income.

The redesign came into effect on 1 December 2017, meaning the changes will apply to new members who join on and after that date, and eligible claimants who become injured or ill on or after that date.

Removing minimum balance requirements

Rest Super members now continue to have default Death, TPD and IP insurance coverage no matter what their account balance is, provided they still have enough funds to cover their premiums.

Removing default insurance cover for new members younger than 18

Rest Super members younger than 18, who joined on or after 1 December 2017, no longer receive default insurance cover. New members aged between 18 and 34 also receive a reduced level of default Death and TPD cover that is more reflective of their life-stage needs.

IP claim payments in line with inflation

For eligible claimants who've been injured or fallen ill since 1 December 2017, Rest will increase their IP payments according to the Consumer Price Index (up to a maximum of 3.5 per cent annually), rather than the Average Weekly Ordinary Time Earnings index.

Making it easier to claim the full Terminal Illness benefit

If a Rest Super member becomes terminally ill from 1 December 2017 onwards, Rest will pay their Death insurance benefits in full, if eligible.

Investing in technology

Rest has taken steps to help make it easier for members to manage their insurance. Members can opt out of their cover online, over the phone, via the Rest App or email. Members can also apply to increase their cover at any time to suit their needs.

Snapshot on insurance claims

In 2017/18, Rest paid 4,588 new insurance claims, including:

831
Death claims

200
Terminal Illness claims

826
Total & Permanent Disability claims

2,731
Income Protection claims

From those, Rest paid benefits of \$337.3 million, including:

\$197.3
million in Death benefits

\$38.1
million in Terminal Illness benefits

\$60.6
million in Total & Permanent Disability benefits

\$41.3
million Income Protection claims

The figures above refer to claims admitted within 1 July 2017 to 30 June 2018.

Rest also paid an additional \$74.1 million in benefits from claims admitted from previous years, meaning an overall total of \$411.4 million in benefits were paid in the period.



The value of advice and education

Rest expands our advice and education offering

Rest has significantly ramped up the provision of advice and education to our members in the past year.

Our objective was simple: provide a more approachable way for our members to engage with advice and education, to help them understand how to maximise their super and retirement outcomes.

Underpinning this objective was the key belief that everyone should be able to access quality advice – not just people who are already financially well-off – and that getting advice shouldn't be daunting.

To achieve this, we needed to ensure we were providing members with accessible and cost-effective service. We also recognised that people like to do things in their own way and at their own pace.

In other words, we aimed to provide our members with advice and education that they could access on their terms and in their own time.

Members now have a choice of how they access advice and education, and can choose to interact with us in a manner that suits them.

Members can obtain advice digitally via the Online Advice Tool¹, which is accessible via computers or digitally enabled mobile devices, like smartphones and tablets. The Online Advice tool provides information and direction on certain topics, such as investment choices, to help a member make the most of their super and better tailor it to their own situation and attitude.

Members can also speak to one of our Rest Advisers over the phone², if they want a more personal interaction. Our dedicated advice team can help answer questions like where to invest a member's super or whether their insurance is appropriate for their needs.

Our Rest Advisers can provide advice on the following topics over the phone:

- Conduct a 'super health check'
- Investment choice
- Contribution optimisation
- Insurance
- Transition to retirement
- Pre-retirement
- Post-retirement

Rest has also expanded the range of education topics available to members via seminar and webinar, with a strong focus on improving the financial knowledge and understanding of our members.

We held 389 seminars in 2017/18, from major metropolitan centres to key regional areas like Wagga Wagga, Harvey Bay and Geraldton. We held them at workplaces, community centres, pubs and even bingo halls.

Rest will continue to expand our advice and education offering in the year ahead, so we can help even more members achieve a positive retirement outcome.

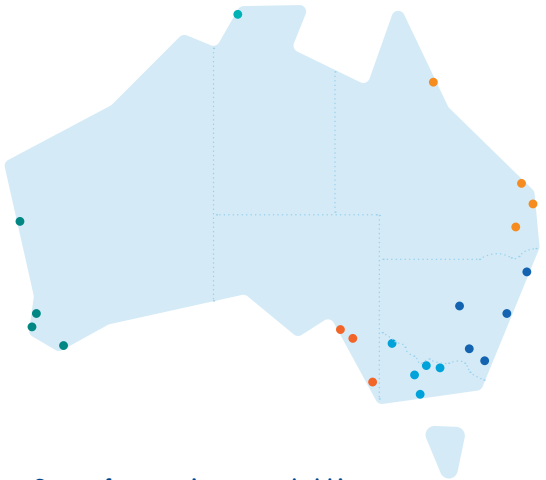
Snapshot on advice and education

In 2017/18 ...



We provided **5,522** Statements of Advice
This included **2,173** statements over the phone and **3,349** via digital sources

We also delivered **389** education seminars



Some of our seminars were held in:

- **NSW:** Wagga Wagga, Bega, Newcastle, Coffs Harbour, Dubbo
- **Vic:** Wangaratta, Shepparton, Mildura, Bendigo, Geelong
- **WA:** Mandurah, Bunbury, Geraldton, Albany
- **NT:** Palmerston
- **SA:** Mt Gambier, Gawler, Victor Harbour
- **Qld:** Harvey Bay, Cairns, Toowoomba, Caloundra

¹ Rest Online Advice is provided by Adviser Network Pty Limited AFS Licence 232729 ABN 25 056 310 699.

² Rest financial advice is provided by Rest Advisers as authorised representatives of Adviser Network Pty Limited AFS Licence 232729 ABN 25 056 310 699.

The financial impact of career breaks

Research commissioned by Rest revealed the overwhelming majority of women do not make a financial plan or seek financial advice ahead of planned career breaks, potentially causing a \$159,590¹ hit to their retirement savings.

The research examined the financial impacts of career breaks on working Australians. It found 53 per cent of the respondents admitted they didn't consider the long-term financial impacts of their career break.

It also revealed that just six per cent of women participating in the survey sought professional financial advice before taking their career break, and only 16 per cent made a superannuation contribution during their break.

By comparison, 15 per cent of the men surveyed said they sought professional advice, and 28 per cent continued to make super contributions.

Due to this, and lower average earnings, women who have taken a career break are predicted to retire with an average superannuation balance of \$283,141² less than their male counterparts.

The research also found that two-thirds of working Australians have taken at least one career break at some stage in their working lives, with an average of 3.5 career breaks overall. These career breaks lasted for an average of 16 months.

Women take 4.2 career breaks on average, compared to 2.7 for men.

Health-related breaks (of three months or more) are the most common type of career break taken by Australians, particularly for men, who typically took a health-related career break at 44 years old.

Women take their career break at an average of 33 years old, with maternity leave (50 per cent) the primary reason, followed by leave to care for children (49 per cent), and health reasons (45 per cent).

It's important that all Australians, particularly women, consider the financial implications of a career break.

With most career breaks arising by choice, there is a good opportunity to consult a financial adviser about keeping up superannuation contributions and building a financial plan.

About the research

The survey was conducted by Lonergan Research between 4 October and 9 October 2017 of 1,030 Australians (both males and females) who have ever taken a career break of at least three months.

¹ Lonergan Research economically modelled the amount of lost superannuation of working women at the retirement age of 67 between those taking no career breaks and those taking career breaks, of which they took 4.2 career breaks on average. The calculations are based on self-reported cost per career break; 9.5 per cent compulsory contribution to superannuation is assumed for the entire working life; 15 per cent contribution tax; and superannuation account balance is compounded annually at 4.95 per cent (based on average 10-year rate of return after tax and fees from APRA Annual Fund-level Superannuation Statistics 2016). No voluntary contributions are modelled. The results are on 2017 Australian dollars with no adjustment for inflation.

² This is the economically modelled average difference of superannuation balance by the retirement age of 67 between men and women if they took one career break.

| Australians on a career break | | |
|-------------------------------|-----------------|----------------|
| | Women | Men |
| Average age | 33 | 41 |
| Average duration | 17.6 months | 13.8 months |
| Average number of breaks | 4.2 | 2.7 |
| Return to work salary | 11% less | 9% less |
| Most common cause of break | Maternity leave | Health-related |





Strong long-term performance

Rest delivered a positive return to members in the Core Strategy for the ninth consecutive year in 2018.

The Rest Super Core Strategy delivered a return of 8.76 per cent for the year ending 30 June 2018, and a 10-year return of 7.44 per cent per annum.

Rest's focus is to deliver competitive investment performance over the long term, and these are strong results compared to the Core Strategy objective of CPI plus three per cent per annum over the longer term (rolling 10-year periods).

The Rest Pension Core Strategy returned 9.30 per cent for the year ending 30 June 2018, while the Rest Pension Balanced option returned 6.76 per cent.

Shares and property drive performance

Australian and overseas shares once again made the greatest contributions to the overall result, while property also performed strongly.

The Rest Super Australian Shares option grew 16.74 per cent during 2017/18, while Overseas Shares returned 11.95 per cent. The Rest Super Property option delivered 10.74 per cent for the year.

For Rest Pension, the Australian Shares option returned 16.76 per cent, Overseas Shares delivered 12.95 per cent, and Property returned 11.84 per cent for the year.

While global economic momentum gathered pace during the year, there were still several risks that required close monitoring. These included ongoing geopolitical turbulence, tighter global monetary policy, high corporate and household debt levels, and slowing China growth.

With many markets trading above their long-term average valuations and therefore susceptible to volatility, Rest's active investment management approach sought to manage the potential downside risks.

For this reason, Rest kept relatively defensive positions in place. We maintained the asset allocation of Australian and overseas shares within the Core Strategy at 17 per cent and 23 per cent respectively.

Property overview

Property is a growth asset, which means it aims to increase investment return to members. Because property returns don't always correlate with what's happening in share markets, property investment is a good way to manage risk across the whole portfolio as a counter to share market volatility.

Quay Quarter Tower

In April 2018, Rest acquired a \$900-million interest in the AMP Centre tower, an iconic Sydney skyscraper that will be redeveloped into the 50-level 'Quay Quarter Tower'.

The tower, located at 50 Bridge Street in the Sydney CBD, forms part of a redevelopment of two city blocks by AMP Capital that will include a shopping plaza and residential accommodation near Circular Quay.

This gives our members an interest in what is likely to be one of the best office buildings in Australia following the completion of the redevelopment in late 2021.

The continuing development of Sydney as a global office market, coupled with the location overlooking Circular Quay and premium-grade quality of the office development, were all factors in our decision to invest.

It's a great example of Rest looking for quality property investments that offer stable investment returns and the potential for capital gains.

Private equity

This year, Rest introduced an allocation to private equity investments as part of the Growth Alternatives asset class in the Core Strategy, Balanced, Diversified and High Growth options.

Private equity involves investment in businesses that are not listed on a stock exchange. These investments typically involve ownership of private companies.

The aim of introducing private equity is to add diversification and growth opportunities to Rest's Core Strategy, Balanced, Diversified and High Growth options.

Investment returns

Performance at a glance

| Investment options | 10-year (% pa) | 7-year (% pa) | 5-year (% pa) | 3-year (% pa) | 1-year (% pa) |
|----------------------------|----------------|---------------|---------------|---------------|---------------|
| Rest Core Strategy | 7.44 | 8.95 | 8.81 | 7.14 | 8.76 |
| Rest Pension Core Strategy | 8.14 | 9.74 | 9.43 | 7.65 | 9.30 |
| Rest Pension Balanced | 7.37 | 8.39 | 7.95 | 6.30 | 6.76 |

Rest Super investment options

| Investment options | 10-year (% pa) | 7-year (% pa) | 5-year (% pa) | 3-year (% pa) | 1-year (% pa) |
|--------------------|----------------|---------------|---------------|---------------|---------------|
| Core Strategy | 7.44 | 8.95 | 8.81 | 7.14 | 8.76 |
| Cash Plus | 2.94 | 2.68 | 2.22 | 1.80 | 1.42 |
| Capital Stable | 5.67 | 6.08 | 5.59 | 4.42 | 4.53 |
| Balanced | 6.56 | 7.56 | 7.28 | 5.82 | 6.45 |
| Diversified | 7.54 | 9.34 | 9.31 | 7.44 | 8.71 |
| High Growth | 8.16 | 10.49 | 10.68 | 8.54 | 10.45 |
| Cash | 2.89 | 2.54 | 2.15 | 1.93 | 1.83 |
| Bonds | 5.68 | 4.76 | 3.39 | 2.11 | 1.00 |
| Shares | 8.93 | 12.09 | 12.58 | 9.54 | 14.11 |
| Australian Shares | 8.78 | 10.73 | 11.84 | 11.19 | 16.74 |
| Overseas Shares | 8.34 | 12.64 | 12.63 | 7.95 | 11.95 |
| Property | 5.50 | 8.72 | 9.82 | 11.83 | 10.74 |
| Basic Cash | N/A | 2.21 | 1.81 | 1.59 | 1.51 |

Rest Pension investment options

| Investment options | 10-year (% pa) | 7-year (% pa) | 5-year (% pa) | 3-year (% pa) | 1-year (% pa) |
|--------------------|----------------|---------------|---------------|---------------|---------------|
| Core Strategy | 8.14 | 9.74 | 9.43 | 7.65 | 9.30 |
| Cash Plus | 3.50 | 3.15 | 2.60 | 2.14 | 1.66 |
| Capital Stable | 6.49 | 6.84 | 6.18 | 4.85 | 4.83 |
| Balanced | 7.37 | 8.39 | 7.95 | 6.30 | 6.76 |
| Diversified | 8.38 | 10.29 | 10.09 | 7.96 | 9.08 |
| High Growth | 8.97 | 11.44 | 11.49 | 9.12 | 10.93 |
| Cash | 3.48 | 3.04 | 2.57 | 2.29 | 2.16 |
| Bonds | 6.63 | 5.51 | 3.95 | 2.43 | 1.15 |
| Shares | 9.61 | 12.97 | 13.34 | 9.80 | 14.73 |
| Australian Shares | 9.44 | 11.48 | 12.34 | 11.09 | 16.76 |
| Overseas Shares | 9.25 | 13.96 | 13.92 | 8.63 | 12.95 |
| Property | 6.17 | 9.75 | 10.86 | 12.97 | 11.84 |
| Basic Cash | N/A | 2.60 | 2.11 | 1.85 | 1.69 |

Rest's calculation of returns

Unless otherwise stated, returns are net of investment fees and tax, except in the case of Rest Pension options (other than Transition to Retirement Pensions), which are untaxed. The earnings applied to members' accounts may differ. Investment returns are at the investment option level and are reflected in the unit prices for those options. Returns for the three, five, seven and 10-year periods are annualised returns. 'N/A' applies to options running less than the indicated periods. Past performance is not an indication of future performance.

For more information, visit:

rest.com.au/member/investments/performance

Rest's investment strategy




Rest's primary investment goal is to grow members' savings by delivering net returns above the rate of inflation (referred to as real net returns) over the long term. The central tenet of Rest's investment philosophy is the active management of Rest's investments in order to meet the published investment objectives of the investment options. The Trustee actively manages the asset allocation and selection of investment managers employed within each asset class (with the exception of Basic Cash). Rest's investment approach is to retain a mix of managers employing different investment management styles to build diversified portfolios of investments. An Investment Adviser is retained by Rest to advise the Trustee in setting the asset allocation of the Core Strategy and the Structured Options and in the selection of investment managers whose investment process and expertise will help the Trustee meet the investment objectives of each of Rest's investment options.

Investment options

The following tables outline how our assets are structured according to the investment options. As at 30 June 2018, Rest has no more than five per cent of funds under management invested in any one investment asset. The investment option returns on the following pages are quoted as at 30 June each year, and are current as at 30 June 2018.

Rest allows some of its investment managers to use derivatives to:

- protect a portfolio's value
- change the interest rate sensitivity of cash and fixed-interest portfolios
- rapidly change market exposure
- modify exposure to foreign currency.

| Core Strategy | | | | Structured options | | | | | |
|--|---|--------------|---------|---|--------------|---|------------------------|--------------|---------|
| | | | | Cash Plus | | Capital Stable | | | |
| Aim ¹ | Achieve a balance of risk and return by investing in both growth assets and defensive assets. | | | Maintain the purchasing power of funds invested by earning above cash returns, while minimising the risk of any capital loss. | | Provide a stable pattern of returns, while maintaining a low probability of a negative return in any one year. | | | |
| Investment return objective ² | CPI + 3% pa over the long-term (rolling 10-year periods). | | | Outperform the Bloomberg AusBond Bank Bill Index (before tax and after fees) over the short-term (rolling two-year periods). | | CPI + 1% pa over the medium-term (rolling four-year periods). | | | |
| Asset allocation ³ | 24% defensive, 76% growth A balanced mix of shares and bonds (both Australian and overseas), property, infrastructure, alternative assets and cash. | | | 100% defensive Cash plus a small allocation to Defensive Alternatives. Cash consists of a portfolio of securities with a low level of interest rate risk (12 months or less), including bank deposits, bank bills, commercial paper and floating rate notes, for example, residential mortgage backed securities. | | 62% defensive, 38% growth Mainly bonds (both Australian and overseas) and cash, with smaller proportions of shares (both Australian and overseas), property, infrastructure and alternative assets. | | | |
|  | | | |  | |  | | | |
| <ul style="list-style-type: none">Cash securities 8% (0-25%)Bonds 6% (5-50%)Defensive alternatives 10% (0-25%)Growth alternatives 19% (0-30%)Infrastructure 8% (0-20%)Property 9% (0-25%)Australian shares 17% (10-45%)Overseas shares 23% (10-45%) | | | | <ul style="list-style-type: none">Cash securities 90%Defensive alternatives 10% | | <ul style="list-style-type: none">Cash securities 32%Bonds 16%Defensive alternatives 14%Growth alternatives 10%Infrastructure 4%Property 5%Australian shares 8%Overseas shares 11% | | | |
| Minimum timeframe | 10+ years | | | Two+ years | | Four+ years | | | |
| Standard Risk Measure ⁴ | Estimated number of negative annual returns during any 20-year period: three to less than four | | | Estimated number of negative annual returns during any 20-year period: less than 0.5 of a year | | Estimated number of negative annual returns during any 20-year period: one to less than two | | | |
| Risk band & level ⁵ | Risk band 5, Medium to High | | | Risk band 1, Very Low | | Risk band 3, Low to Medium | | | |
| What this option has returned ⁶ (Past performance is not an indication of future performance) | Year | Super/Acumen | Pension | Year | Super/Acumen | Pension | Year | Super/Acumen | Pension |
| | 2014 | 13.29% | 14.41% | 2014 | 2.96% | 3.43% | 2014 | 7.58% | 8.40% |
| | 2015 | 9.47% | 9.93% | 2015 | 2.72% | 3.16% | 2015 | 7.17% | 8.00% |
| | 2016 | 1.82% | 1.56% | 2016 | 1.78% | 2.09% | 2016 | 1.81% | 1.86% |
| | 2017 | 11.07% | 12.40% | 2017 | 2.21% | 2.67% | 2017 | 6.97% | 7.96% |
| | 2018 | 8.76% | 9.30% | 2018 | 1.42% | 1.66% | 2018 | 4.53% | 4.83% |
| | Annualised return (pa) | | | Annualised return (pa) | | | Annualised return (pa) | | |
| | 5 year | 8.81% | 9.43% | 5 year | 2.22% | 2.60% | 5 year | 5.59% | 6.18% |
| | 10 year | 7.44% | 8.14% | 10 year | 2.94% | 3.50% | 10 year | 5.67% | 6.49% |




Each of our investment options is designed for members with the investment objectives, risk tolerance and investment time horizon that is set out in the table above for that investment option.

Investment options with an exposure to the Australian shares asset class may include companies listed in Australia but based overseas. In addition, up to 10% of this asset class may be invested in stocks listed on the New Zealand Stock Exchange.

¹ Aim – This is the goal or objective of the investment option.

² Investment return objective – This is what we use to determine asset allocation. It is also used to measure if the investment objective is met. It is not a guaranteed rate of return. Rest does not use the return Target (shown in the Product Dashboard available at rest.com.au/dashboard) to set the investment return objective.

³ Asset allocation – For the Core Strategy option, the asset allocation will vary year to year within the ranges shown in brackets. This also means the allocation to defensive assets and growth assets will vary from time to time.

| Balanced | Diversified | High Growth | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|---|---------|------|------------------------|--------|---------------------|-------|----------------|------|----------|-------|-------------------|-------|-----------------|------|---|-----------------|------------------------|-------|----|------------------------|-------|---------------------|---------|----------------|-------|--|------|-------------------|---------|-----------------|--------|---|------------------------|--------|---------------------|------|----------------|-------|----------|--------|-------------------|------|-----------------|-------|------------------------|--|--|--------|-------|--------|---------|-------|-------|---|------|--------------|---------|------|--------|--------|------|--------|--------|------|-------|-------|------|--------|--------|------|--------|--------|------------------------|--|--|--------|--------|--------|---------|-------|-------|
| Achieve a balance of risk and return by investing in approximately equal proportions of growth assets and defensive assets. | Achieve strong returns over the longer term by investing in a diversified mix of assets weighted towards shares and other growth assets. | Maximise returns over the long-term by investing predominantly in growth assets. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CPI + 2% pa over the medium-term (rolling six-year periods). | CPI + 3% pa over the long-term (rolling 10-year periods). | CPI + 4% pa over the very long-term (rolling 12-year periods). | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 43% defensive, 57% growth A mix of shares and bonds (both Australian and overseas), property, infrastructure, alternative assets and cash. | 23% defensive, 77% growth Australian and overseas shares, property, infrastructure, alternative assets plus lesser amounts of bonds (both Australian and overseas) and cash. | 7% defensive, 93% growth Australian and overseas shares, property, infrastructure and alternative assets. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|  <table><tr><td>Cash securities</td><td>20%</td></tr><tr><td>Bonds</td><td>10%</td></tr><tr><td>Defensive alternatives</td><td>13%</td></tr><tr><td>Growth alternatives</td><td>14%</td></tr><tr><td>Infrastructure</td><td>6%</td></tr><tr><td>Property</td><td>6%</td></tr><tr><td>Australian shares</td><td>3%</td></tr><tr><td>Overseas shares</td><td>18%</td></tr></table> | Cash securities | 20% | Bonds | 10% | Defensive alternatives | 13% | Growth alternatives | 14% | Infrastructure | 6% | Property | 6% | Australian shares | 3% | Overseas shares | 18% |  <table><tr><td>Cash securities</td><td>7%</td></tr><tr><td>Bonds</td><td>7%</td></tr><tr><td>Defensive alternatives</td><td>9%</td></tr><tr><td>Growth alternatives</td><td>17%</td></tr><tr><td>Infrastructure</td><td>8%</td></tr><tr><td>Property</td><td>8%</td></tr><tr><td>Australian shares</td><td>19%</td></tr><tr><td>Overseas shares</td><td>25%</td></tr></table> | Cash securities | 7% | Bonds | 7% | Defensive alternatives | 9% | Growth alternatives | 17% | Infrastructure | 8% | Property | 8% | Australian shares | 19% | Overseas shares | 25% |  <table><tr><td>Defensive alternatives</td><td>7%</td></tr><tr><td>Growth alternatives</td><td>20%</td></tr><tr><td>Infrastructure</td><td>8%</td></tr><tr><td>Property</td><td>9%</td></tr><tr><td>Australian shares</td><td>24%</td></tr><tr><td>Overseas shares</td><td>32%</td></tr></table> | Defensive alternatives | 7% | Growth alternatives | 20% | Infrastructure | 8% | Property | 9% | Australian shares | 24% | Overseas shares | 32% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cash securities | 20% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bonds | 10% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Defensive alternatives | 13% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Growth alternatives | 14% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Infrastructure | 6% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Property | 6% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Australian shares | 3% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Overseas shares | 18% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cash securities | 7% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bonds | 7% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Defensive alternatives | 9% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Growth alternatives | 17% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Infrastructure | 8% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Property | 8% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Australian shares | 19% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Overseas shares | 25% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Defensive alternatives | 7% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Growth alternatives | 20% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Infrastructure | 8% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Property | 9% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Australian shares | 24% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Overseas shares | 32% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Six+ years | 10+ years | 12+ years | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Estimated number of negative annual returns during any 20-year period: two to less than three | Estimated number of negative annual returns during any 20-year period: three to less than four | Estimated number of negative annual returns during any 20-year period: four to less than six | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Risk band 4, Medium | Risk band 5, Medium to High | Risk Band 6, High | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table><tr><th>Year</th><th>Super/Acumen</th><th>Pension</th></tr><tr><td>2014</td><td>10.01%</td><td>11.01%</td></tr><tr><td>2015</td><td>8.99%</td><td>9.93%</td></tr><tr><td>2016</td><td>1.87%</td><td>1.81%</td></tr><tr><td>2017</td><td>9.26%</td><td>10.50%</td></tr><tr><td>2018</td><td>6.45%</td><td>6.76%</td></tr><tr><td colspan="3">Annualised return (pa)</td></tr><tr><td>5 year</td><td>7.28%</td><td>7.95%</td></tr><tr><td>10 year</td><td>6.56%</td><td>7.37%</td></tr></table> | Year | Super/Acumen | Pension | 2014 | 10.01% | 11.01% | 2015 | 8.99% | 9.93% | 2016 | 1.87% | 1.81% | 2017 | 9.26% | 10.50% | 2018 | 6.45% | 6.76% | Annualised return (pa) | | | 5 year | 7.28% | 7.95% | 10 year | 6.56% | 7.37% | <table><tr><th>Year</th><th>Super/Acumen</th><th>Pension</th></tr><tr><td>2014</td><td>13.08%</td><td>14.35%</td></tr><tr><td>2015</td><td>11.26%</td><td>12.40%</td></tr><tr><td>2016</td><td>2.01%</td><td>1.82%</td></tr><tr><td>2017</td><td>11.84%</td><td>13.28%</td></tr><tr><td>2018</td><td>8.71%</td><td>9.08%</td></tr><tr><td colspan="3">Annualised return (pa)</td></tr><tr><td>5 year</td><td>9.31%</td><td>10.09%</td></tr><tr><td>10 year</td><td>7.54%</td><td>8.38%</td></tr></table> | Year | Super/Acumen | Pension | 2014 | 13.08% | 14.35% | 2015 | 11.26% | 12.40% | 2016 | 2.01% | 1.82% | 2017 | 11.84% | 13.28% | 2018 | 8.71% | 9.08% | Annualised return (pa) | | | 5 year | 9.31% | 10.09% | 10 year | 7.54% | 8.38% | <table><tr><th>Year</th><th>Super/Acumen</th><th>Pension</th></tr><tr><td>2014</td><td>15.17%</td><td>16.30%</td></tr><tr><td>2015</td><td>12.80%</td><td>13.97%</td></tr><tr><td>2016</td><td>1.81%</td><td>1.54%</td></tr><tr><td>2017</td><td>13.71%</td><td>15.35%</td></tr><tr><td>2018</td><td>10.45%</td><td>10.93%</td></tr><tr><td colspan="3">Annualised return (pa)</td></tr><tr><td>5 year</td><td>10.68%</td><td>11.49%</td></tr><tr><td>10 year</td><td>8.16%</td><td>8.97%</td></tr></table> | Year | Super/Acumen | Pension | 2014 | 15.17% | 16.30% | 2015 | 12.80% | 13.97% | 2016 | 1.81% | 1.54% | 2017 | 13.71% | 15.35% | 2018 | 10.45% | 10.93% | Annualised return (pa) | | | 5 year | 10.68% | 11.49% | 10 year | 8.16% | 8.97% |
| Year | Super/Acumen | Pension | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2014 | 10.01% | 11.01% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2015 | 8.99% | 9.93% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2016 | 1.87% | 1.81% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 | 9.26% | 10.50% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2018 | 6.45% | 6.76% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Annualised return (pa) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 year | 7.28% | 7.95% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10 year | 6.56% | 7.37% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Year | Super/Acumen | Pension | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2014 | 13.08% | 14.35% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2015 | 11.26% | 12.40% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2016 | 2.01% | 1.82% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 | 11.84% | 13.28% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2018 | 8.71% | 9.08% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Annualised return (pa) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 year | 9.31% | 10.09% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10 year | 7.54% | 8.38% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Year | Super/Acumen | Pension | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2014 | 15.17% | 16.30% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2015 | 12.80% | 13.97% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2016 | 1.81% | 1.54% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 | 13.71% | 15.35% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2018 | 10.45% | 10.93% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Annualised return (pa) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 year | 10.68% | 11.49% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10 year | 8.16% | 8.97% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

For all options other than the Core Strategy:

- The allocation to an individual asset class may vary by +/- 5% from the benchmark allocation shown, but not below 0% or more than 100% for an individual asset class
- Where an option does not currently have a benchmark allocation to Cash, an allocation of up to 5% may be introduced
- The overall allocation to growth assets and defensive assets may vary by +/- 10% from the allocation shown.

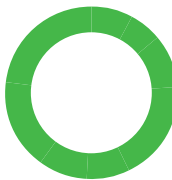
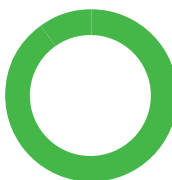
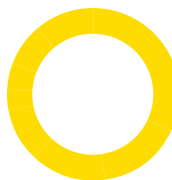
We reserve the right to vary the asset allocations, including the benchmarks and ranges, of all or any of the investment options, introduce new options, or close or terminate existing options without prior notice (where permitted by law).

⁴ Standard Risk Measure – this is a guide as to the likely number of negative annual returns expected over any 20-year period. See 'What is the Standard Risk Measure?' at rest.com.au/srm

⁵ The Risk band and Risk level is based on the Standard Risk Measure. The Standard Risk Measure includes seven risk bands, from one (very low risk) to seven (very high risk).

⁶ What this option has returned – returns are net of investment fees and taxes as at 30 June. The returns are based on the valuation of the underlying assets as at 30 June.

Member-tailored options

| | Basic Cash | Cash | Bonds | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|--|--|---------|------|-------|-------|------|-------|-------|------|-------|-------|------|-------|-------|------|-------|-------|------------------------|--|--|--------|-------|-------|---------|-----|-----|---|------|--------------|---------|------|-------|-------|------|-------|-------|------|-------|-------|------|-------|-------|------|-------|-------|------------------------|--|--|--------|-------|-------|---------|-------|-------|---|------|--------------|---------|------|-------|-------|------|-------|-------|------|-------|-------|------|-------|-------|------|-------|-------|------------------------|--|--|--------|-------|-------|---------|-------|-------|
| Aim ¹ | Provide you with the opportunity to construct portfolios that are appropriate to your own particular circumstances. Your portfolio may be constructed from one or more of the Basic Cash, Cash, Bond, Property, Shares, Australian Shares and Overseas Shares options, as well as from the Structured options and the Core Strategy. This permits the construction of portfolios with an extremely wide range of risk/return objectives. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Investment return objective ² | Match the return of the Reserve Bank cash rate target before tax and before fees over rolling 1-year periods. | Perform in line with the Bloomberg AusBond Bank Bill Index (before tax and after fees) over rolling 1-year periods. | Outperform the benchmark return (before tax and after fees) over rolling 2-year periods. The benchmark is calculated using the Bloomberg AusBond Composite 0+ Yr Index, Bloomberg AusBond Inflation 0+ Yr Index FTSE World Government Bond Index (hedged) and Barclays Global Inflation linked Index (hedged). | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Asset allocation ³ | <p>100% defensive</p> <p>The portfolio will invest in deposits with, or short-term discount securities (bank bills and negotiable certificates of deposit) issued by, banks rated at least AA- at the time of purchase. It may also invest in short-dated debt issued and guaranteed by the Australian Commonwealth or State Governments. All securities will have a maximum term to maturity of three months.</p> <div><p>● Cash securities 100%)</p></div> | <p>100% defensive</p> <p>A portfolio of securities with a low level of interest rate risk (12 months or less), including bank deposits, bank bills, commercial paper and floating rate notes, for example, residential mortgage backed securities.</p> <div><p>● Cash securities 100%</p></div> | <p>100% defensive</p> <p>A mixture of Australian and overseas debt securities issued by Governments, semi-government authorities and companies.</p> <div><p>● Bonds 100%</p></div> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Minimum timeframe | Three months or less | One to two years | Four+ years | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Standard Risk Measure ⁴ | Estimated number of negative annual returns during any 20-year period: less than 0.5 of a year | Estimated number of negative annual returns during any 20-year period: less than 0.5 of a year | Estimated number of negative annual returns during any 20-year period: two to three | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Risk band and level ⁵ | Risk band 1, Very Low | Risk band 1, Very Low | Risk band 4, Medium | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| What this option has returned ⁶ | <table><tr><th>Year</th><th>Super/Acumen</th><th>Pension</th></tr><tr><td>2014</td><td>2.24%</td><td>2.61%</td></tr><tr><td>2015</td><td>2.04%</td><td>2.40%</td></tr><tr><td>2016</td><td>1.81%</td><td>2.12%</td></tr><tr><td>2017</td><td>1.45%</td><td>1.75%</td></tr><tr><td>2018</td><td>1.51%</td><td>1.69%</td></tr><tr><td colspan="3">Annualised return (pa)</td></tr><tr><td>5 year</td><td>1.81%</td><td>2.11%</td></tr><tr><td>10 year</td><td>n.a</td><td>n.a</td></tr></table> | Year | Super/Acumen | Pension | 2014 | 2.24% | 2.61% | 2015 | 2.04% | 2.40% | 2016 | 1.81% | 2.12% | 2017 | 1.45% | 1.75% | 2018 | 1.51% | 1.69% | Annualised return (pa) | | | 5 year | 1.81% | 2.11% | 10 year | n.a | n.a | <table><tr><th>Year</th><th>Super/Acumen</th><th>Pension</th></tr><tr><td>2014</td><td>2.62%</td><td>3.09%</td></tr><tr><td>2015</td><td>2.36%</td><td>2.89%</td></tr><tr><td>2016</td><td>2.04%</td><td>2.41%</td></tr><tr><td>2017</td><td>1.93%</td><td>2.30%</td></tr><tr><td>2018</td><td>1.83%</td><td>2.16%</td></tr><tr><td colspan="3">Annualised return (pa)</td></tr><tr><td>5 year</td><td>2.15%</td><td>2.57%</td></tr><tr><td>10 year</td><td>2.89%</td><td>3.48%</td></tr></table> | Year | Super/Acumen | Pension | 2014 | 2.62% | 3.09% | 2015 | 2.36% | 2.89% | 2016 | 2.04% | 2.41% | 2017 | 1.93% | 2.30% | 2018 | 1.83% | 2.16% | Annualised return (pa) | | | 5 year | 2.15% | 2.57% | 10 year | 2.89% | 3.48% | <table><tr><th>Year</th><th>Super/Acumen</th><th>Pension</th></tr><tr><td>2014</td><td>4.89%</td><td>5.83%</td></tr><tr><td>2015</td><td>5.80%</td><td>6.72%</td></tr><tr><td>2016</td><td>1.62%</td><td>1.85%</td></tr><tr><td>2017</td><td>3.73%</td><td>4.33%</td></tr><tr><td>2018</td><td>1.00%</td><td>1.15%</td></tr><tr><td colspan="3">Annualised return (pa)</td></tr><tr><td>5 year</td><td>3.39%</td><td>3.95%</td></tr><tr><td>10 year</td><td>5.68%</td><td>6.63%</td></tr></table> | Year | Super/Acumen | Pension | 2014 | 4.89% | 5.83% | 2015 | 5.80% | 6.72% | 2016 | 1.62% | 1.85% | 2017 | 3.73% | 4.33% | 2018 | 1.00% | 1.15% | Annualised return (pa) | | | 5 year | 3.39% | 3.95% | 10 year | 5.68% | 6.63% |
| Year | Super/Acumen | Pension | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2014 | 2.24% | 2.61% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2015 | 2.04% | 2.40% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2016 | 1.81% | 2.12% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 | 1.45% | 1.75% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2018 | 1.51% | 1.69% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Annualised return (pa) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 year | 1.81% | 2.11% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10 year | n.a | n.a | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Year | Super/Acumen | Pension | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2014 | 2.62% | 3.09% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2015 | 2.36% | 2.89% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2016 | 2.04% | 2.41% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 | 1.93% | 2.30% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2018 | 1.83% | 2.16% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Annualised return (pa) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 year | 2.15% | 2.57% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10 year | 2.89% | 3.48% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Year | Super/Acumen | Pension | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2014 | 4.89% | 5.83% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2015 | 5.80% | 6.72% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2016 | 1.62% | 1.85% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 | 3.73% | 4.33% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2018 | 1.00% | 1.15% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Annualised return (pa) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 year | 3.39% | 3.95% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10 year | 5.68% | 6.63% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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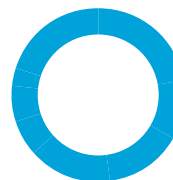
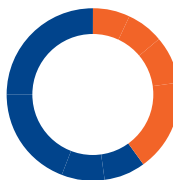
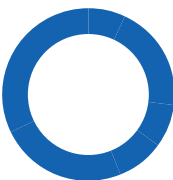

Each of our investment options is designed for members with the investment objectives, risk tolerance and investment time horizon that is set out in the table above for that investment option.

Investment options with an exposure to the Australian shares asset class may include companies listed in Australia but are based overseas. In addition, up to 10% of this asset class may be invested in stocks listed on the New Zealand Stock Exchange.

¹ Aim – This is the goal or objective of the investment option.

² Investment return objective – This is what we use to determine asset allocation. It is also used to measure if the investment objective is met. It is not a guaranteed rate of return. Rest does not use the return Target (shown in the Product Dashboard available at rest.com.au/dashboard) to set the Investment return objective.

³ Asset allocation – For the Core Strategy option, the asset allocation will vary year to year within the ranges shown in brackets. This also means the allocation to defensive assets and growth assets will vary from time to time.

| Property | Shares | Australian Shares | Overseas Shares | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|------|-------|-------|------|-------|-------|------|--------|--------|------|--------|--------|------|--------|--------|------------------------|--|--|--------|-------|--------|---------|-------|-------|--|------|------------------|---------|------|--------|--------|------|--------|--------|------|--------|--------|------|--------|--------|------|--------|--------|------------------------|--|--|--------|--------|--------|---------|-------|-------|--|------|------------------|---------|------|--------|--------|------|-------|-------|------|-------|-------|------|--------|--------|------|--------|--------|------------------------|--|--|--------|--------|--------|---------|-------|-------|--|------|------------------|---------|------|--------|--------|------|--------|--------|------|--------|--------|------|--------|--------|------|--------|--------|------------------------|--|--|--------|--------|--------|---------|-------|-------|
| Provide you with the opportunity to construct portfolios that are appropriate to your own particular circumstances. Your portfolio may be constructed from one or more of the Basic Cash, Cash, Bond, Property, Shares, Australian Shares and Overseas Shares options, as well as from the Structured options and the Core Strategy. This permits the construction of portfolios with an extremely wide range of risk/return objectives. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Outperform both the Mercer/IPD Australia Core Wholesale Property Fund Index (before tax and after fees) over rolling 3-year periods and the 10-year bond rate plus 3% p.a. over rolling 5-year periods. | Outperform the benchmark return (before tax and after fees) over rolling 3-year periods. The benchmark is calculated using the S&P/ASX 300 Accumulation Index and the MSCI All Country World ex-Australia Index in \$AUD. | Outperform the S&P/ASX 300 Accumulation Index (before tax and after fees) over rolling 3-year periods. | Outperform the MSCI All Country World ex-Australia Index in \$AUD (before tax and after fees) over rolling 3-year periods. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 100% growth | 100% growth A mixture of Australian and overseas shares. | 100% growth | 100% growth | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <div></div> <div>● Property 100%</div> | <div></div> <div>● Australian shares 40% ● Overseas shares 60%</div> | <div></div> <div>● Australian shares 100%</div> | <div></div> <div>● Overseas shares 100%</div> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10+ years | 12+ years | 12+ years | 12+ years | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Estimated number of negative annual returns during any 20-year period: three to less than four | Estimated number of negative annual returns during any 20-year period: four to less than six | Estimated number of negative annual returns during any 20-year period: six or greater | Estimated number of negative annual returns during any 20-year period: four to less than six | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Risk band 5, Medium to High | Risk band 6, High | Risk Band 7, Very High | Risk Band 6, High | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table><tr><th>Year</th><th>Super/ Acumen</th><th>Pension</th></tr><tr><td>2014</td><td>7.74%</td><td>8.80%</td></tr><tr><td>2015</td><td>6.01%</td><td>6.78%</td></tr><tr><td>2016</td><td>12.99%</td><td>14.16%</td></tr><tr><td>2017</td><td>11.77%</td><td>12.92%</td></tr><tr><td>2018</td><td>10.74%</td><td>11.84%</td></tr><tr><td colspan="3">Annualised return (pa)</td></tr><tr><td>5 year</td><td>9.82%</td><td>10.86%</td></tr><tr><td>10 year</td><td>5.50%</td><td>6.17%</td></tr></table> | Year | Super/ Acumen | Pension | 2014 | 7.74% | 8.80% | 2015 | 6.01% | 6.78% | 2016 | 12.99% | 14.16% | 2017 | 11.77% | 12.92% | 2018 | 10.74% | 11.84% | Annualised return (pa) | | | 5 year | 9.82% | 10.86% | 10 year | 5.50% | 6.17% | <table><tr><th>Year</th><th>Super/ Acumen</th><th>Pension</th></tr><tr><td>2014</td><td>19.24%</td><td>20.89%</td></tr><tr><td>2015</td><td>15.41%</td><td>16.87%</td></tr><tr><td>2016</td><td>-0.57%</td><td>-1.84%</td></tr><tr><td>2017</td><td>15.84%</td><td>17.54%</td></tr><tr><td>2018</td><td>14.11%</td><td>14.73%</td></tr><tr><td colspan="3">Annualised return (pa)</td></tr><tr><td>5 year</td><td>12.58%</td><td>13.34%</td></tr><tr><td>10 year</td><td>8.93%</td><td>9.61%</td></tr></table> | Year | Super/ Acumen | Pension | 2014 | 19.24% | 20.89% | 2015 | 15.41% | 16.87% | 2016 | -0.57% | -1.84% | 2017 | 15.84% | 17.54% | 2018 | 14.11% | 14.73% | Annualised return (pa) | | | 5 year | 12.58% | 13.34% | 10 year | 8.93% | 9.61% | <table><tr><th>Year</th><th>Super/ Acumen</th><th>Pension</th></tr><tr><td>2014</td><td>18.39%</td><td>20.30%</td></tr><tr><td>2015</td><td>7.49%</td><td>8.48%</td></tr><tr><td>2016</td><td>3.32%</td><td>1.79%</td></tr><tr><td>2017</td><td>13.98%</td><td>15.36%</td></tr><tr><td>2018</td><td>16.74%</td><td>16.76%</td></tr><tr><td colspan="3">Annualised return (pa)</td></tr><tr><td>5 year</td><td>11.84%</td><td>12.34%</td></tr><tr><td>10 year</td><td>8.78%</td><td>9.44%</td></tr></table> | Year | Super/ Acumen | Pension | 2014 | 18.39% | 20.30% | 2015 | 7.49% | 8.48% | 2016 | 3.32% | 1.79% | 2017 | 13.98% | 15.36% | 2018 | 16.74% | 16.76% | Annualised return (pa) | | | 5 year | 11.84% | 12.34% | 10 year | 8.78% | 9.44% | <table><tr><th>Year</th><th>Super/ Acumen</th><th>Pension</th></tr><tr><td>2014</td><td>19.61%</td><td>21.97%</td></tr><tr><td>2015</td><td>20.46%</td><td>22.74%</td></tr><tr><td>2016</td><td>-3.69%</td><td>-4.23%</td></tr><tr><td>2017</td><td>16.69%</td><td>18.51%</td></tr><tr><td>2018</td><td>11.95%</td><td>12.95%</td></tr><tr><td colspan="3">Annualised return (pa)</td></tr><tr><td>5 year</td><td>12.63%</td><td>13.92%</td></tr><tr><td>10 year</td><td>8.34%</td><td>9.25%</td></tr></table> | Year | Super/ Acumen | Pension | 2014 | 19.61% | 21.97% | 2015 | 20.46% | 22.74% | 2016 | -3.69% | -4.23% | 2017 | 16.69% | 18.51% | 2018 | 11.95% | 12.95% | Annualised return (pa) | | | 5 year | 12.63% | 13.92% | 10 year | 8.34% | 9.25% |
| Year | Super/ Acumen | Pension | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2014 | 7.74% | 8.80% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2015 | 6.01% | 6.78% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2016 | 12.99% | 14.16% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 | 11.77% | 12.92% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2018 | 10.74% | 11.84% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Annualised return (pa) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 year | 9.82% | 10.86% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10 year | 5.50% | 6.17% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Year | Super/ Acumen | Pension | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2014 | 19.24% | 20.89% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2015 | 15.41% | 16.87% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2016 | -0.57% | -1.84% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 | 15.84% | 17.54% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2018 | 14.11% | 14.73% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Annualised return (pa) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 year | 12.58% | 13.34% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10 year | 8.93% | 9.61% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Year | Super/ Acumen | Pension | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2014 | 18.39% | 20.30% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2015 | 7.49% | 8.48% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2016 | 3.32% | 1.79% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 | 13.98% | 15.36% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2018 | 16.74% | 16.76% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Annualised return (pa) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 year | 11.84% | 12.34% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10 year | 8.78% | 9.44% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Year | Super/ Acumen | Pension | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2014 | 19.61% | 21.97% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2015 | 20.46% | 22.74% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2016 | -3.69% | -4.23% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 | 16.69% | 18.51% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2018 | 11.95% | 12.95% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Annualised return (pa) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 year | 12.63% | 13.92% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10 year | 8.34% | 9.25% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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For all options other than the Core Strategy:

- The allocation to an individual asset class may vary by +/-5% from the benchmark allocation shown, but not below 0% or more than 100% for an individual asset class
- Where an option does not currently have a benchmark allocation to Cash, an allocation of up to 5% may be introduced
- The overall allocation to growth assets and defensive assets may vary by +/-10% from the allocation shown.

We reserve the right to vary the asset allocations, including the benchmarks and ranges, of all or any of the investment options, introduce new options, or close or terminate existing options without prior notice (where permitted by law).

⁴ Standard Risk Measure – This is a guide as to the likely number of negative annual returns expected over any 20-year period. See 'What is the Standard Risk Measure?' at rest.com.au/srm

⁵ The Risk band and Risk level is based on the Standard Risk Measure. The Standard Risk Measure includes seven risk bands, from one (very low risk) to seven (very high risk).

⁶ What this option has returned – returns are net of investment fees and taxes as at 30 June. The returns are based on the valuation of the underlying assets as at 30 June.



Rest Board governance

The Rest Board is made up of individuals with a broad range of retail industry and commercial experience. Their longstanding, in-depth knowledge of Rest, together with their understanding of the industry, adds value to the fund's operations and to members and employers.

The Rest Board is made up of employer and employee representatives from the retail industry, as well as an independent director who is also the Chair.

Four directors are nominated on behalf of employees by the Shop Distributive and Allied Employees Association (SDA). Four directors are nominated on behalf of employers and Employer Associations, comprising major employers participating in Rest, and the Retail Associations. Employees and employers are equally represented. One director is nominated and appointed by the directors as Independent Chair.

Board members as at 30 June 2018

| Employee representation | Board member since | Nominated by |
|-------------------------|--------------------|------------------------|
| Joe de Bruyn | 13 December 1988 | SDA |
| Ian Blandthorn AM | 25 September 2008 | SDA |
| Michael Tehan | 1 October 2017 | SDA |
| Julia Fox | 1 January 2018 | SDA |
| Employer representation | Board member since | Nominated by |
| Rohan Jeffs | 6 July 1990 | Woolworths Ltd |
| John Edstein | 4 October 2013 | Retail Council |
| Steven Priestley | 4 March 2014 | Coles Group |
| Sally Evans | 2 May 2018 | Super Retail Group Ltd |
| Independant Chair | Board member since | Nominated by |
| Ken Marshman | 17 December 2013* | The Board |

* Appointed as Chair on 31 July 2014

Departures from the Board

| Director | Resigned on | Replaced by |
|-------------------|-------------------|---------------|
| Geoffrey Williams | 30 September 2017 | Michael Tehan |
| Sue-Anne Burnley | 31 December 2017 | Julia Fox |
| Duncan Shaw | 31 December 2017 | Sally Evans |

Directors



Kenneth Stuart Marshman
Chairman of the Board and Independent Director

Qualifications
Bachelor of Arts – Mathematics and Economics (BA)
Master of Economics (MEc)
Ken has specialised in financial markets and corporate strategy for over 30 years and has been intensively involved in investments for superannuation funds since 1986. He held the positions of Director of Finance and CEO within the State Electricity Commission of Victoria, before joining JANA Investment Advisers. From 1995 to 2008, Ken was JANA’s Managing Director, and is now Chair of the JANA Board of Directors.

- Current Directorships/Appointments**
- Chairman and Director of Retail Employees Superannuation Pty Ltd
 - Chairman and Director of Super Investment Management Pty Ltd (SIM)
 - Chair of the JANA Board of Directors

- Rest Committee Membership**
- Chairman of Investment Committee
 - Chairman of Tax Planning Committee
 - People, Culture and Remuneration Committee
 - Member and Employer Services Committee



Ian Blandthorn
AM

Qualifications
Bachelor of Arts (BA Hons)
Ian has more than 20 years’ experience in superannuation. Ian held the position National Assistant Secretary for the SDA. He was also the Board Chair of Service Skills Australia, a Joint Chairperson of Advisory Committee of Service Skills Australia and a Member of the Australian Council of Trade Unions (ACTU) Executive. Prior to this he was a member of the State Training Board of Victoria, the President and Member of Flagstaff College of TAFE Council and a member of Board of TAFE of Victoria University.

- Current Directorships/Appointments**
- Director of Retail Employees Superannuation Pty Ltd
 - Director of Super Investment Management Pty Ltd (SIM)
 - Board member of Victoria Service Skills Industries Ltd
 - President of Commerce Sector for Asia – Pacific Region of Union Network International
 - Board member of Skills IQ

- Rest Committee Membership**
- Member and Employer Services Committee
 - Tax Planning Committee
 - Investment Committee



Joe de Bruyn

Qualifications
Bachelor of Agricultural Science (BAgrSc)
Joe has more than 30 years’ experience in superannuation and was the National Secretary of the SDA from 1978 to 2014. He is now the National president of the SDA. From 1984-1996, Joe held the position of New South Wales Branch Secretary as well as National Secretary of the SDA. In 1985 he joined the Executive of the Australian Council of Trade Union (ACTU) and was elected as Vice-President in 1997 and subsequently, Senior Vice-President from 2003 to 2015. While serving on the Rest Board, Joe has also been an active member of various bodies such as the Australian Labor Advisory Council, The World Executive Board of Union Network International, the National Workplace Relations Consultative Council, the Retail Council of Australia and the National Executive of the Australian Labor Party.

- Current Directorships/Appointments**
- Director of Retail Employees Superannuation Pty Ltd
 - Director of Super Investment Management Pty Ltd (SIM)
 - Director of Ramsay Foundation for Western Civilisation
 - Chairman of Campion College

- Rest Committee Membership**
- Chairman of the Member and Employer Services Committee
 - Audit, Risk and Compliance Committee
 - People, Culture and Remuneration Committee
 - Investment Committee
 - Tax Planning Committee
 - Claims Sub-committee



John Edstein

Qualifications
Bachelor of Economics (BEc)
Bachelor of Laws (LLB)
Master of Laws with Honours (LLM)
John commenced work as a solicitor in 1979. In 1982, John was a co-founder of the law firm, Townsend & Edstein Solicitors, which established a reputation in superannuation and financial services laws, including the taxation of financial services entities. In 1990, John joined Mallesons Stephen Jaques as a partner in the Taxation and Superannuation Group. John retired as a partner on 31 December 2012 (by which time the firm had combined to become King & Wood Mallesons). In addition to his role as a legal adviser, John was the National Practice Team leader for the Taxation and Superannuation Group for several years, together with being a director on the boards of several of the firm’s operating companies, including as chair of the trustee of the Partners’ Superannuation Fund until it was transferred to a master trust. John was also a relationship partner for several of the firm’s significant clients.

- Current Directorships/Appointments**
- Director of Retail Employees Superannuation Pty Ltd
 - Director of Perpetual Equity Investment Company Ltd
 - Chairman of Macquarie Investment Management Ltd
 - Trustee of St Joseph’s College Old Boys’ Union
 - Member of the Investment Committee, Catholic Archdiocese of Sydney
 - Emeritus Member, Superannuation Committee of the Law Council of Australia
 - Member, Tax Institute of Australia and Chartered Tax Adviser
 - Member, Law Society of New South Wales

- Rest Committee Membership**
- Audit, Risk and Compliance Committee
 - Trust Deed Review Committee
 - Tax Planning Committee
 - Member and Employer Services Committee
 - People, Culture and Remuneration Committee

Directors



Rohan Jeffs

Qualifications

Bachelor of Arts (BA)
Bachelor of Laws (LLB)
Master of Laws (LLM)
Certificate of Advanced Human Resources Management
Rohan is a lawyer with over 35 years' experience in major listed Australian companies in the areas of corporate and commercial law as well as in senior corporate roles responsible for governance, risk and compliance; human relations; procurement; industrial relations; superannuation; government, media and corporate relations. He is former Adjunct Professor of Law at the University of Queensland.

Current Directorships/Appointments

- Director of Retail Employees Superannuation Pty Ltd
- Director of Super Investment Management Pty Ltd (SIM)
- Director of Avner Pancreatic Cancer Foundation
- Fellow of Governance Institute of Australia
- Fellow of Australian Institute of Superannuation Trustees

Rest Committee Membership

- Chairman of People, Culture and Remuneration Committee
- Investment Committee
- Member and Employer Services Committee
- Claims Sub-committee



Steven Priestley

Qualifications

Bachelor of Commerce (B Com)
Steve has 35 years' of experience in finance and most recently was the Financial Controller for Coles Retail, Coles Group Limited. He was initially appointed to the Rest Board in 2008 serving as a Director to 2012. Steve then served as an Alternate Director until being reappointed to the Board as a Director. Prior to his role as Financial Controller, Steve has worked within the Coles Group in various roles for the past seven years and prior to this was primarily with Shell Australia Limited, holding various General Manager Roles including Corporate Treasurer and Financial Controller. Steve is a former member of the Institute of Chartered Accountants.

Current Directorships/Appointments

- Director of Retail Employees Superannuation Pty Ltd
- Loyalty Pacific Pty Ltd
- Director of Super Investment Management Pty Ltd (SIM)

Rest Committee Membership

- Chairman of the Audit, Risk and Compliance Committee
- Tax Planning Committee
- Investment Committee



Michael Tehan

Qualifications

Bachelor of Arts (BA)
Bachelor of Laws (LLB)
Australian Institute of Company Directors Graduate (GAICD)
Michael has over 40 years' experience in industrial relations, and is a current director of Villa Maria Catholic Homes, a large not-for-profit provider of aged care, disability and community services, and special education. In 2014, Michael retired as a partner of the legal firm, Minter

Ellison, after more than 25 years at the firm. An experienced mediator, he has overseen the resolution of legal disputes for many years.

Current Directorships/Appointments

- Director of Retail Employees Superannuation Pty Ltd
- Director of Villa Maria Catholic Homes Ltd
- Member, Advisory Board, Department of Management and Marketing, Faculty of Business and Economics, University of Melbourne

Rest Committee Membership

- Audit, Risk and Compliance Committee
- Trust Deed Review Committee



Julia Fox

Qualifications

Bachelor of Arts (BA)
Masters of Law, Juris Doctor (JD)
Julia Fox is the National Assistant Secretary of the SDA, the Union for workers in retail, fast food and warehousing. Julia has represented workers for over two decades, starting out as an Organiser for the Victorian Branch of the SDA in 1994 before joining the National Office as an Industrial Officer and the SDA's National OHS Officer in 2001. Having completed her Masters of Law, (Juris Doctor) in 2010, Julia has advocated

for better pay, conditions and protections for thousands of workers in retail and fast food companies. Julia is Vice President of the World Women's Committee of UNI Global Union; the global union federation which represents more than 20 million workers from over 900 trade unions in the fastest growing sectors in the world - skills and services. Julia is the Chair of the ACTU Women's Committee.

Current Directorships/Appointments

- Director of Retail Employees Superannuation Pty Ltd

Rest Committee Membership

- People, Culture and Remuneration Committee



Sally Evans

Qualifications

Australian Institute of Superannuation Trustees Graduate (GAIST)
Australian Institute of Company Directors Fellow (FAICD)
Bachelor of Applied Science (BHSc)
Sally is an experienced Board director with a commitment to delivering sustainable financial and social outcomes. Sally's early professional career as a public sector Clinical Dietitian, lead to her undertaking executive roles in health service within the public and private sector. She received the Telstra Australian Businesswoman of the Year award (private sector) in 2002 and was recognised as an AFR Westpac Woman of Influence

in 2013. Her executive and non-executive director experience spans internationally across private, social enterprise and government advisory boards as well as board committees in the areas of risk, audit and remuneration. Currently, Sally Chairs LifeCircle, and is a member of the EveryAge Counts Advisory Group. Prior to this, Sally was a member of the Consumer and Industry Advisory Group on the development of a retirement income framework and covenant, and an inaugural member of the Australian Federal Government's Aged Care Financing Authority.

Current Directorships/Appointments

- Director of Retail Employees Superannuation Pty Ltd
- Chairman of LifeCircle
- Non-Executive Director of Oceania Healthcare Group
- Non-Executive Director of Opal Specialist Aged Care
- Non-Executive Director of Gateway Lifestyle Operations Ltd
- Non-Executive Director of Primary Health Care Ltd
- Non-Executive Director of Blue Cross Aged Care

Alternate Directors

The Alternate Directors of the Board as at 30 June 2018 are:

| Alternate Directors | | |
|---------------------|--------------------------|--------------|
| Name | Alternate Director since | Nominated by |
| Michael Donovan | 31 March 2011 | SDA |
| Gerard Dwyer | 22 April 2014 | SDA |
| Joanne Lester | 28 July 2016 | Wesfarmers |
| Aliscia di Mauro | 1 October 2017 | SDA |

Michael Donovan

Qualifications

Bachelor of Science – Chemistry and Mathematics (BSc(MathSc))

Michael had experience as a Research Officer and subsequently as a Senior Research Officer for the SDA from 1977 to 1992 including research, advocacy, negotiation, member advice, delegate education and some government liaison. Michael was advocate for the SDA in the major case which established industry-wide superannuation for retail workers in 1987-1988. Michael became Assistant Secretary of the Victorian Branch of the SDA in 1992 and Secretary in 1996. Michael is responsible for the supervision of the employees of the Branch, for the financial management of the Branch and for the strategic director of the Branch, in association with other elected Officers.

Michael became the National Vice-President of the SDA in 2014.

Current Directorships/Appointments

- Alternate Director to Ian Blandthorn in Retail Employees Superannuation Pty Ltd
- Chairman of FEDSDA Pty Ltd
- Chairman of Industrial Printing and Publishing Pty Ltd
- Chairman of Publicity Works Pty Ltd
- Member of the Victorian Occupational Health and Safety Advisory Committee

Rest Committee Membership

- Nil - however, in addition to acting as Alternate Director for Ian Blandthorn at Rest Board meetings, Michael may take Ian's place at committee meetings if Ian is unable to attend.

Joanne Lester

Qualifications

Bachelor of Psychology (BPsychol)

Graduate Diploma of Business Professional Accounting (Grad Dip Bus Prof Acc)

Australian Institute of Company Directors Graduate (GAICD)

Jo has more than 25 years' experience in the superannuation industry and is currently Superannuation Manager at Wesfarmers Limited. Change management has been a key feature of Jo's superannuation career as the superannuation landscape and Wesfarmers' organisational structure have changed considerably during her nearly 20 years with the company. Jo is also the Chair of St Hilda's School for Girls Foundation.

Current Directorships/Appointments

- Alternate Director to Steven Priestley of Retail Employees Superannuation Pty Ltd

Rest Committee Membership

- Nil - however, in addition to acting as Alternate Director for Steven Priestley at Rest Board meetings, Joanne may take Steven's place at committee meetings if Steven is unable to attend.

Gerard Dwyer

Qualifications

Bachelor of Education – History and English (BED)

Masters of Business – (Employment Relations) (MBus)

Australian Institute of Company Directors Graduate (GAICD)

Gerard Dwyer is the National Secretary-Treasurer of the Shop, Distributive & Allied Employees' Association. Gerard has been the Secretary-Treasurer of the SDA-NSW Branch (2005-2014), National President of the Union (2008-2014) and SDA National Secretary since 2014. The SDA is one of Australia's largest trade union and represents employees working in retail, fast food and warehousing. Gerard grew up in regional NSW and moved to Sydney at the age of 18 to pursue tertiary studies. He has a Bachelor of Education (History and English (1989)), a Masters of Business in Employment Relations (UTS, 2002) and is also a Graduate of the Australian Institute of Company Directors Gerard's working life has seen him employed as a shop assistant, classroom teacher, social worker and as a Trade Union Official for more than 20 years.

Current Directorships/Appointments

- Alternate Director to Joe de Bruyn in Retail Employees Superannuation Pty Ltd
- Alternative Director to Joe de Bruyn in Super Investment Management (SIM) Pty Ltd
- National Secretary – Treasurer of the SDA
- Member of the ALP National Executive

Rest Committee Membership

- Nil - however, in addition to acting as Alternate Director for Joe de Bruyn at Rest Board meetings, Gerard may take Joe's place at committee meetings if Joe is unable to attend.

Aliscia di Mauro

Qualifications

Bachelor of Laws (LLB(Hons))

Bachelor of Commerce (BCom)

Aliscia has been an industrial officer at the SDA NSW branch and a part-time official since 2010. Aliscia previously worked as a senior accountant at Ernst & Young, as an accountant at Hill Rogers and subsequently as a lawyer at Minter Ellison Lawyers.

Current Directorships/Appointments

- Alternate Director to Michael Tehan of Retail Employees Superannuation Pty Ltd
- Alternate Director to Julia Fox of Retail Employees Superannuation Pty Ltd

Rest Committee Membership

- Nil – however, in addition to acting as Alternate Director for Michael Tehan and Julia Fox at Rest Board meetings, Aliscia may take Michael or Julia's place at committee meetings if either are unable to attend.

Rest Board governance

Rest Board composition

Under its governing rules, Rest may appoint directors who are not employees or representatives of any affiliated organisations. Ensuring an appropriate mix of skills, knowledge and experiences on the Board is the critical focus. The Trustee has adopted this approach in its director appointments and independent expert consultant review of individual and collective Board performance.

The Trustee's directors bring experience and knowledge gleaned from senior roles in the retail industry, or as experts in the legal, investment or other relevant sectors. Our directors are able to express a wide range of views in a robust decision-making process while acting in the best interests of members, not of their industry or employer representative bodies.

Board assessment

The Trustee's directors must meet minimum education requirements of at least 20 hours per year, and many exceed this. The Board is also subject to a rigorous governance review process, including regular assessments conducted by external consultants to ascertain directors' capabilities and knowledge.

Fitness and propriety

A 'fit and proper' assessment must be completed before a person is appointed as a Responsible Person, unless they hold the position because the Australian Prudential Regulation Authority has determined that the person is a Responsible Person. Responsible Persons at Rest include directors and senior management, appointed actuaries and appointed auditors. The Board oversees the conduct of a fit and proper assessment before appointing Responsible Persons permanently.

Annual certifications

Each Responsible Person must confirm in writing each year that they have met the criteria for fitness and propriety established by Rest's fit and proper policy.

Periodic training reviews

Each quarter, the Board reviews each Responsible Person's progress in meeting their training requirements for the year. The Board must review each Responsible Person's compliance with the requirements of fitness each year, taking into account whether they have met their training requirements.

Ethical conduct

The Rest Code of Conduct sets out the expected standards of conduct and behaviour for directors and employees. It includes requirements to:

- act with integrity;
- keep the information they have accessed as part of their roles confidential;
- not conduct Rest's business when affected by drugs or alcohol; and
- use Rest's resources only for appropriate purposes.

There are also monetary limits on the acceptance of meals and non-cash gifts. All offers of cash or cash equivalents (including credit cards, debit cards, vouchers or gift cards) of any value must be refused and the Company Secretary advised of the offer.

Rest also has a Conflicts Management Policy that sets out the procedures for identifying and managing conflicts of interest and duty, and to help the Trustee, its directors and employees comply with their obligations in the management of conflicts.

Rest's governance structure

The Rest Board has the ultimate responsibility for Rest.

It has established a number of Board committees to help with its work. Board committees monitor and review the areas of their responsibility.

The main Board committees are described below.

The **Investment Committee** reviews all investment strategy matters; monitors the performance of investment classes, key property and infrastructure investments; and implements Rest's investment policies.

The **Audit, Risk and Compliance Committee** (ARCC) is the interface between the Board and Rest's management on audit, risk and compliance issues. It receives regular reports from the internal auditor and external auditor. The internal auditor reviews the internal control environment, systems and procedures, and provides a view on the effectiveness of the risk processes. The external auditor audits the risk management strategy and the annual financial statements of the Trustee and the fund. The ARCC reviews the Trustee's and funds financial statements each year before they are presented to the Board.

The **Member and Employer Services Committee** (MESC) reviews strategic initiatives relating to the products, benefits and services Rest provides to its members and employers, and makes recommendations to the Board. The Claims Sub-Committee (a Sub-Committee of the MESC) reviews complex Death and Disablement claims and makes determinations on these within its area of delegated authority.

The **People, Culture and Remuneration Committee** (PCRC) assists the Board in people management and corporate cultural issues, reviews the remuneration of Rest's Responsible Persons, and makes recommendations to the Board on certain salary and staffing matters.

Rest Leadership Team

The Rest Leadership Team (RLT) oversees and facilitates the implementation of risk-prevention measures and internal controls, including monitoring and reporting.

The RLT comprises the Chief Executive Officer; Chief Financial Officer; General Counsel & Company Secretary; Chief Risk Officer; General Manager of Investments; General Manager of Brand, Marketing and Communications; General Manager of People and Culture; General Manager of Customer Service; General Manager of Transformation and Technology; and General Manager of Strategic Relations.

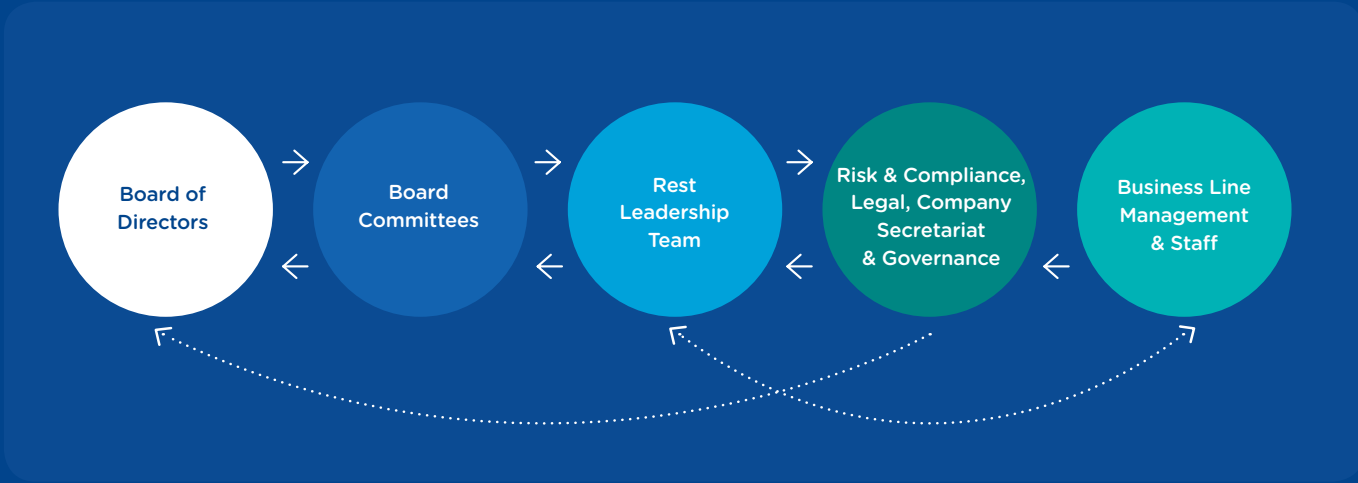
The RLT meets regularly and determines which matters will be reported to the Board, the ARCC, the PCRC and other relevant Board committees.

Business line management and staff members report to the RLT on operational matters.

Rest uses a number of business activity providers, such as investment managers, an administration manager, a custodian, life insurers, actuaries and a financial planning service provider. These service providers play a vital role in Rest's governance structure.

Rest's governance structure

Rest's governance structure consists of the Board, a number of Board committees and executives, which together oversee all aspects of Rest's operations, as shown in the diagram below.



Rest Leadership Team

Roles and responsibilities



Vicki Doyle

Chief Executive Officer
(from May 2018)

Vicki joined Rest as CEO in May 2018, bringing more than 17 years' senior executive leadership experience in superannuation, life insurance, wealth management and banking.

Vicki is passionate about simplifying and de-mystifying superannuation to help all Australians achieve their best retirement outcomes. She is excited about the next stages of Rest's journey as a market-leading fund, and is determined to continue the delivery of outstanding member benefits.

Vicki holds an Executive MBA from Australian Graduate School of Management, a Diploma from the Australian Institute of Company Directors, and has been an Executive Director on Trustee Boards.



Damian Hill

Chief Executive Officer
(until January 2018)

Damian has more than 20 years' experience in life insurance and superannuation and was Chief Executive of Rest from 2006 to 2018, after joining the company in 1999 as Administration Manager. He has a Bachelor of Science, is a fellow of the Association of the Superannuation Funds of Australia and is a Certified Investment Management Analyst.



Andrew Howard

Chief Operating Officer
(until June 2018)

Interim Chief Executive Officer
(January 2018 to May 2018)

Andrew was appointed Chief Operating Officer in April 2015 and was responsible for delivering high-quality products and services to Rest's members and employers. Andrew was the interim Chief Executive Officer following Damian Hill's departure. He left the fund in June 2018.



Beth Parkin

General Manager
Customer Service

Beth Parkin joined Rest in November 2015 as the General Manager of Customer Service for Members and Employers. With more than 20 years' experience across the customer lifecycle, Beth has transformed organisations through the implementation of contact centre strategies, outsourcing, vendor management, digital self-service and Voice of the Customer programs within Australia and internationally. Prior to Rest, Beth held executive roles within organisations who advocate for digital. Beth holds a Bachelor of Science from San Diego State University, California, USA.



Brendan Casey

General Manager Investments

Brendan joined Rest as General Manager Investments in November 2016. Having commenced his career as a chemical engineer, Brendan moved into financial services in the early '90s. His experience spans across CBA, ITG, Southern Cross Equities, SIA/FinSIA/ Kaplan, Salomon Smith Barney/Citigroup and as a self-employed Financial Consultant.

Prior to joining Rest, Brendan was Head of Investment Operations and Control at Suncorp. Brendan has also been part of the Australian Army Reserve for 34 years and was employed full time by the Australian Army in 2011 when he was on operational deployment in Afghanistan. Brendan holds a Bachelor of Science (Honours) and a PhD, both from the University of Sydney. He also holds a Graduate Diploma of Applied Finance and Investments from the Securities Institute of Australia, and a Graduate Diploma of Management from the University of Canberra.

Rest Leadership Team

Roles and responsibilities



Chris Stevens

Chief Financial Officer

Chris has worked in the superannuation industry for more than 20 years. He joined Rest as Chief Financial Officer in 2008 and is responsible for Rest's finance and analytics functions. Chris worked in the custody division of JPMorgan in Sydney for 14 years before joining Rest. He holds a Bachelor of Science in Geography from Bristol University in the UK. He is a chartered accountant and worked in the banking and finance audit group at Coopers & Lybrand in London. He is a member of the Institute of Chartered Accountants in England and Wales and a member of the Association of Superannuation Funds of Australia.



Paul Howard

General Counsel
and Company Secretary

Paul is responsible for overseeing the legal and company secretariat functions, having joined Rest in 2011 as General Counsel and Company Secretary. He commenced his in-house career in financial services organisations in 2005, with a focus on funds management and asset management. Prior to moving in-house, Paul spent nine years in private practice in Australia, Hong Kong and New Zealand. Paul's primary specialty is in mergers and acquisitions with an infrastructure focus in the in-house environment, both domestically and internationally.

Paul holds a Bachelor of Law and a Bachelor of Commerce from the University of Auckland. He is currently a Solicitor of the Supreme Court of NSW and High Court of Australia and is also admitted to practice in New Zealand.



Craig Hobart

General Manager
Strategic Relations

Craig was appointed in July 2016 and is responsible for developing and implementing strategies to elevate relationships with Rest members and Rest employers. Craig has more than 25 years' experience in financial services and joined Rest from Baycorp where he was General Manager for Australia from 2013. Before that he was Chief Executive of YourShare Financial Services, an online business-to-consumer financial services company, and held a range of positions at Tyndall Asset Management from 2007 to 2012, including as Managing Director. Craig holds a Master of Management from Macquarie Graduate School of Management, and a Bachelor of Economics from the University of Queensland.



Phil Budge

Chief Risk Officer

Phil was appointed in June 2015 and was responsible for Rest's risk management framework. Prior to joining Rest, Phil was Risk Manager at State Super Financial Services and previously worked at the Australian Prudential Regulation Authority, The Trust Company Limited, MLC and St. George Bank. He holds a Bachelor of Laws from Macquarie University and a Bachelor of Business from the University of Technology Sydney. He is a member of the Institute of Chartered Accountants and is a Certified Internal Auditor. Phil left Rest in August 2018.



Mary Atley

General Manager Brand,
Marketing and Communications
(until May 2018)

Mary joined the Rest marketing and communications team in June 2011. She is a highly qualified and experienced strategic marketer with 30 years' experience and has worked across diverse industries including financial services, energy, retail and professional services. Previously she was the head of marketing and communications at a member-driven organisation. Mary left Rest in May 2018.



Sandra Coleman

General Manager Strategy,
Transformation and Technology

Sandra joined Rest in January 2014 and is responsible for the information systems and project management functions. She was Chief Information Officer at two state government organisations before joining Rest. Sandra has more than 15 years' experience in IT, including working for multinational manufacturing organisations in professional services and government organisations. Sandra holds a Masters of Business Administration from the University of Western Sydney, majoring in Technology Management, along with technical qualifications relating to technology frameworks and best practices.



Deborah Potts

Interim General Manager Brand,
Marketing and Communications
(from May 2018)

Deborah joined Rest in 2015, as the National Manager, Advice and subsequently served as the Head of Advice and Education from March 2017. In May 2018, she was appointed as interim General Manager Brand, Marketing and Communications following the departure of Mary Atley. Deborah has extensive experience working with board, executive and professional teams on customer experience strategies in the financial services and superannuation industries. Prior to working at Rest, she worked at BT Financial Group and AMP Corporate Super, and consulted for NRMA.



Trevor Evans

General Manager
People and Culture

Trevor joined the Rest People and Culture team in August 2014 and is responsible for the human resources and payroll functions. He has more than 20 years' experience in human resources, having worked in human resources roles at Suncorp, Tourism Australia, ING and the Australian Securities and Investments Commission, and in government administration before joining Rest. Trevor holds a Bachelor of Arts (Honours) in Sociology and a Master of Business Administration.



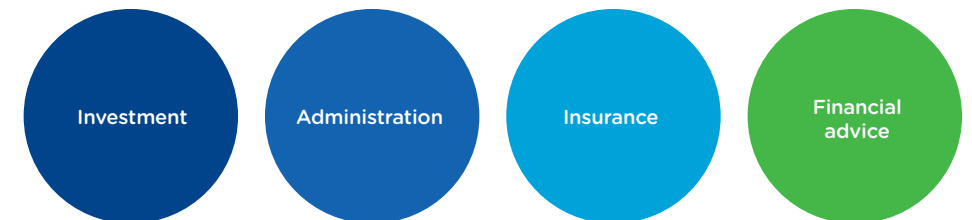
Notice to Rest members

Fair and reasonable allocation of costs

Operational fees and costs

Rest undertakes an annual review of the fees and costs met by members and the way the costs of running the fund are allocated between members.

These costs are allocated to one of the four following areas:



Costs incurred because of a transaction by an individual member are largely recovered from the transacting member through member fees. Costs incurred in relation to a single investment option are largely recovered from the investment option through unit prices. Costs incurred in relation to particular groups of members (eg members in Rest Super, Rest Corporate or Rest Pension) are recovered from the members in those groups usually from the member fees.

Insurance pricing is designed so that only the members who have insurance pay for the costs of the cover. Insurance premiums are based on the premium rates charged by the Insurer. Insurance premiums are deducted from members' accounts.

Rest may subsidise the cost of insurance based on any premium rebates received from the insurer due to its overall claim history. Any subsidisation is done on a fair and equitable basis across all insured members, by applying a standard percentage discount rate for all insured members. Currently, Rest subsidises Rest Super members with a premium subsidy of 2.7 per cent.

The Trustee considers that the fees it charges to members and the way fees and costs are allocated between members and different groups of members are fair and reasonable.

Insurance offering

Every year, Rest reviews its insurance strategy and the insurance offered to members, to determine whether any changes should be made.

To do this, we consider the policy terms, the level of cover, and the cost to you.

The Trustee considers that the insurance strategy, and the existing cover and its terms and conditions, are appropriate and in the interests of members.

For a brief summary of some of the recent changes to Rest Super's insurance offering, which came into effect on 1 December 2017, please refer to page 12.

More details about Rest's insurance offering are described in the relevant PDS, which can be accessed at rest.com.au/pds

Indemnity insurance

The Fund, the directors and officers of the Trustee are covered by professional indemnity insurance primarily through Zurich Australia Insurance Ltd.

Advisers and service providers

The following advisers assist the Trustee to provide members with professional service and management. The advisers have been appointed on the basis of quality and cost effectiveness.

Administration and accounting

Australian Administration Services Pty Limited

Credit manager

Industry Funds Credit Control Pty Ltd

Custodian

State Street Australia Limited

External auditor

PricewaterhouseCoopers

Group life and income protection insurance

AIA Australia Ltd

Hannover Life

Internal auditor

KPMG

Investment consultant

JANA Investment Advisers Pty Ltd

Legal advisers

Allens

Banki Haddock Fiora

Clayton Utz

Gilbert and Tobin

Hall & Wilcox

Herbert Smith Freehills

King & Wood Mallesons

Madgwicks

MinterEllison

Turks Legal

Venebles Lawyers

Tax agent

PricewaterhouseCoopers

Trustee liability insurance

Zurich Australia Insurance Ltd

Rest’s investment managers as at 30 June 2018

| Asset class | Investment manager | % of assets managed for Rest |
|------------------------|---|------------------------------|
| Australian Shares | Renaissance Smaller Companies Pty Ltd | 1.1 |
| | Ubique Asset Management Pty Ltd | 1.3 |
| | Super Investment Management Pty Ltd* | 1.5 |
| | Allan Gray Australia Pty Ltd | 1.7 |
| | Greencape Capital Pty Limited | 2.8 |
| | Cooper Investors Pty Ltd | 3.8 |
| | Balanced Equity Management Pty Ltd | 4.7 |
| | Paradice Investment Management Pty Ltd | 5.7 |
| | | 22.6 |
| Overseas Shares | GQG Partners LLC | 0.4 |
| | Artisan Partners Ltd Partnership | 0.5 |
| | Henderson Global Investors Ltd | 0.8 |
| | Longview Partners LLP | 1.2 |
| | Colonial First State Asset Management (Australia) Ltd | 1.2 |
| | Northcape Capital Pty Ltd | 1.3 |
| | Cooper Investors Pty Ltd | 1.7 |
| | Paradice Investment Management Pty Ltd | 1.9 |
| | Global Thematic Partners | 2.6 |
| | Wellington Management Australia Pty Ltd | 2.8 |
| | Hosking Partners LLP | 3.6 |
| | MFS International (UK) Limited | 3.7 |
| | Holwesko Partners Limited | 3.8 |
| | | 25.5 |
| Property | GPT Funds Management Ltd | 1.6 |
| | Charter Hall Funds Management Ltd | 1.5 |
| | Super Investment Management Pty Ltd* | 7.4 |
| | | 10.5 |
| Bonds | Franklin Templeton Investments Australia Ltd | 1.1 |
| | UBS Global Asset Management (Australia) Ltd | 1.1 |
| | Brandywine Global Investment Management, LLC | 1.6 |
| | Super Investment Management Pty Ltd* | 1.9 |
| | | 5.6 |
| Cash | Colonial First State Asset Management (Australia) Limited | 2.9 |
| | Super Investment Management Pty Ltd* | 3.8 |
| | | 6.7 |
| Basic Cash | Super Investment Management Pty Ltd* | 0.2 |
| | | 0.2 |
| Infrastructure | Super Investment Management Pty Ltd* | 1.5 |
| | AMP Capital Investors Limited | 3.7 |
| | | 5.2 |
| Growth Alternatives | HayFin Capital Management LLP | 0.5 |
| | QIC Private Capital Pty Ltd | 0.4 |
| | Super Investment Management Pty Ltd* | 0.8 |
| | Bain Capital Credit, LP | 2 |
| | Bentham Asset Management Pty Ltd | 2.3 |
| | Apollo ST Fund Management LLC | 2.6 |
| | Barings LLC | 3.7 |
| | Alliance Bernstein Investment Management Australia Ltd | 0.4 |
| | Wellington Management Australia Pty Ltd | 0.6 |
| | Cooper Investors Pty Ltd | 1.8 |
| | Holwesko Global Fund Limited | 1.8 |
| | Warakirri Asset Management Pty Limited | 0.6 |
| | | 17.5 |
| Defensive Alternatives | GSA Capital Partners LLP | 1.1 |
| | Capital Fund Management S.A. | 1.2 |
| | GAM International Management Limited | 1.9 |
| | BNP Paribas Investment Partners (Australia) Limited | 2.1 |
| | | 6.2 |
| Total | | 100 |

* Super Investment Management Pty Ltd ABN 86 079 706 657 (Australian Financial Services Licence 240004) is a wholly owned company of Rest. Super Investment Management Pty Ltd, like other investment managers of Rest, receives a fee for its investment management services. Rest deals with Super Investment Management Pty Ltd on an arms-length basis

Employers in arrears

The Trustee has entered into agreements with certain employers under which employers are required to make superannuation contributions to Rest on behalf of their employees. Sometimes employers* are late in making their superannuation contributions as required under the agreement with the Trustee. While often it is an administrative oversight, we take breaches seriously and will seek to draw the employer's attention to their obligations.

During 2017/18, Rest referred a number of employers* to Industry Funds Credit Control Pty Limited (IFCC), which collected \$19,286,164 in arrears from employers. As at 30 June 2018, a number of employers continued to be overdue in paying employee super contributions by at least 90 days. Legal action may be initiated if contributions remain unpaid after the IFCC contacts the employer.

* This applies only to employers who have signed the employer application.

Eligible Rollover Fund (ERF)

Rest has a broad power, provided by legislation, to transfer a member's benefits to an Eligible Rollover Fund (ERF). Rest may roll over a member's benefits to its ERF if a member's account balance is less than \$6,000, and Rest has attempted to contact the member by mail or electronic means and the correspondence has been returned unclaimed; or no contributions or rollovers have been paid into a member's account for 12 months.

Rest's ERF is AUSfund:

AUSfund

Locked bag 5132,
Parramatta NSW 2124.
Phone 1300 361 798

Email: admin@austfund.net.au

Web: austfund.com.au

When member benefits are transferred into an ERF, they may be affected because:

- The person ceases to be a Rest member and will no longer have any insurance cover within Rest.
- The person becomes a member of AUSfund and will be subject to its governing rules (if Rest can provide AUSfund with contact details, AUSfund will send the AUSfund PDS to the member).
- the fees and costs AUSfund charges are different to Rest's, and investment returns may be insufficient to cover the fees and costs.
- AUSfund will invest benefits in a diversified investment strategy, which may provide lower returns than Rest's investment option(s).

Temporary residents

A temporary resident who is not a citizen of Australia or New Zealand may withdraw their superannuation benefits only under limited conditions. Six months after the temporary resident departed Australia or their temporary visa has expired, the Australian Taxation Office (ATO) can require their superannuation fund to transfer their super to the ATO as unclaimed moneys. The temporary resident can claim the money from the ATO. If Rest is required to transfer the member's superannuation benefit to the ATO, relying on ASIC relief, Rest is not required to and will not, notify the member of the transfer or provide them with an exit statement.

For more information, visit rest.com.au

Unclaimed and lost member accounts

In some circumstances, your account balance will be treated by Rest as unclaimed money or as a lost member account.

Rest transfers any unclaimed and lost member account balances to the ATO every six months. Once a member's account balance is transferred to the ATO, the member will no longer be a member of Rest, and any insurance cover within Rest and other Rest benefits will cease. There may be other reasons for the Trustee to transfer a member's account balance to the ATO. See ato.gov.au for more information.

Compliments and complaints

If a member has a compliment, we would love to hear it. If a member has any concerns or complaints, please contact us straight away and we will make every effort to resolve the problem quickly.

Members can make a formal complaint to Rest online or by phone, email or letter.

To lodge a complaint online

Visit our rest.com.au and click on 'Contact us' or ask our virtual agent Roger on the homepage for more information.

To lodge a complaint by phone

Members can contact us on 1300 300 778. Our Contact Centre is open from 8am to 10pm, Monday to Friday.

To lodge a complaint by mail

Please write 'Complaint' on the envelope and the letter, and address the envelope to:

The Trustee Services Officer

Rest
PO Box 350
Parramatta NSW 2124

Rest is required to consider a complaint or dispute within 90 days of receiving it. However, in some circumstances we may not be able to resolve the issue within this period.

If the Trustee has not made a decision within 90 days of receiving a member's enquiry or complaint, the member can ask for the written reasons for the Trustee's failure to make a decision within that period. We are required to give written reasons for not making a decision within 90 days of the member's enquiry or complaint within 28 days of receiving this follow-up request.

We will notify the member of the Trustee's decision on the enquiry or complaint once the Trustee has made that decision. For decisions on complaints relating to payment of Death benefits, the Trustee must give the complainant written reasons for the decision. For decisions relating to other complaints, the member may request written reasons for our decision. The Trustee must give the member the reasons within 28 days of receiving the member's request.

If the Trustee fails to respond to the member within 90 days, or if the member is not satisfied with the outcome, the member could make a complaint to the Australian Financial Complaints Authority (AFCA).

Australian Financial Complaints Authority

The Australian Financial Complaints Authority (AFCA) is an independent external dispute resolution scheme. It provides fair and independent financial services complaints resolution that is free to consumers.

While sincere attempts will be made to resolve differences between members and funds, in some instances the AFCA may need to make a binding ruling.

The AFCA does not charge members for its service and they can be contacted on 1800 931 678 or info@afca.org.au or visit the AFCA website at afca.org.au

How to contact Rest

To contact Rest, use the details on the back page, or write to us at:

The Trustee Services Officer

Rest
PO Box 350
Parramatta NSW 2124

Financial statements

The abridged financial statements set out on these pages are an abbreviated version of extracts from the Rest financial report for the year ended 30 June 2018. If you would like a copy of the

audited financial statements and the auditor's report, please visit our website at rest.com.au/annualreport or write to us at Rest, PO Box 350, Parramatta NSW 2124.

Income statement 2017/18

| | 2018 (\$ million) | 2017 (\$ million) |
|--|-------------------|-------------------|
| Superannuation activities | | |
| Investment income | 1,905 | 1,603 |
| Changes in assets measured at fair value | 2,728 | 3,427 |
| Other investment income | 16 | 35 |
| Total superannuation activities income | 4,649 | 5,065 |
| Less | | |
| Investment expenses | 265 | 239 |
| General Administration expenses | 192 | 179 |
| Total expenses | 457 | 418 |
| Net result of superannuation activities | 4,192 | 4,647 |
| Less net benefits allocated to members' accounts | (3,831) | (4,253) |
| Surplus / (shortfall) before income tax | 361 | 395 |
| Income tax (expense) / benefit | (313) | (383) |
| Surplus / (shortfall) after income tax | 49 | 12 |

Statement of changes in member benefits 2017/18

| | 2018 (\$ million) | 2017 (\$ million) |
|--|-------------------|-------------------|
| Opening balance of member benefits | 45,606 | 39,428 |
| Contributions | | |
| Contributions by employers | 3,995 | 3,713 |
| Contributions by members | 530 | 672 |
| Rollovers | 1,109 | 1,073 |
| Income tax on contributions | (457) | (419) |
| Net after tax contributions | 5,177 | 5,040 |
| Benefits to members and beneficiaries | (2,931) | (2,608) |
| Insurance premiums charged to members' accounts | (830) | (796) |
| Insurance benefits credited to members' accounts | 298 | 289 |
| Net benefits allocated to members' accounts | 3,831 | 4,253 |
| Closing balance of member benefits | 51,151 | 45,606 |

Statement of financial position 2017/18

| | 2018 (\$ million) | 2017 (\$ million) |
|---|-------------------|-------------------|
| Securities | | |
| Australian listed shares | 11,507 | 9,774 |
| Australian bonds | 1,705 | 1,712 |
| Discount securities | 2,815 | 3,266 |
| Overseas listed shares | 13,892 | 12,546 |
| Overseas bonds | 3,640 | 2,853 |
| Other | | |
| Unlisted unit trusts | 15,280 | 14,126 |
| Derivatives | 265 | 429 |
| Cash/other | 3,305 | 1,908 |
| Direct property | 989 | 906 |
| Total investments | 53,398 | 47,519 |
| Amount receivable | 304 | 260 |
| Other assets | 92 | 53 |
| Total assets | 53,794 | 47,832 |
| Less | | |
| Liability for taxation | 881 | 736 |
| Derivatives | 503 | 188 |
| Other liabilities | 841 | 948 |
| Total liabilities | 2,225 | 1,872 |
| Net assets available for member benefits | 51,569 | 45,960 |
| Less reserves | (418) | (355) |
| Closing balance of member benefits | 51,151 | 45,606 |

Every member who is part of a Defined Benefit fund receives an AQ Update from Rest, which details Defined Benefit financial annually. This is sent around November.

Reserves

Rest has a number of reserves, including an operational risk financial requirement reserve (ORFR), capital reserve, group life insurance reserve, administration reserve and partnership development fund (PDF) reserve. As at 30 June 2018, the total reserves were valued at \$418 million.

These reserves are maintained and used in accordance with Rest's reserving policy, for example, to meet any contingencies, and provide for future capital requirements, or insurance and administration payments. Rest currently has adequate provisions in its reserves.

Unit price adjustments

Rest reserves the right to adjust unit prices in accordance with its reserving policy without prior notice and includes transferring funds from investment option earnings to reserves which may impact the respective unit prices. During the year, unit prices were reduced by 0.01% and transferred to the ORFR reserve to maintain the reserve at the target amount of 0.25% of net assets available for member benefits.

Reserve strategy

These reserves, except the PDF reserve, are invested as a combination of the Core Strategy and Cash options. The partnership development fund reserve is in at call cash or as otherwise directed by the PDF Committee.

Movement in Rest's reserves

| Year | (\$ million) |
|-------------|--------------|
| 2016 | 11 |
| 2017 | 52 |
| 2018 | 63 |

Rest Super, Corporate & Select

Acumen

Rest Pension

☎ **1300 300 778**
Monday to Friday,
8am-10pm AEST

✓ **Roger** (24-seven)

💬 **Live Chat**
Monday to Friday, 8am-10pm
Saturday, 9am-6pm AEST
Sunday, 10am-6pm AEST

☎ **1300 305 779**
Monday to Friday,
8am-6pm AEST

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Download the Rest app now:



Together towards tomorrow

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This information is provided by Retail Employees Superannuation Pty Ltd ABN 39 001 987 739 as Trustee of Rest (Retail Employees Superannuation Trust ABN 62 653 671 394). 957.2 04/17 ISS3