Product Disclosure Statement

Retirement Income Stream

Supplementary Product Disclosure Statement

3 November 2022

This is a Supplementary Product Disclosure Statement (SPDS) prepared and issued by Aware Super Pty Ltd ABN 11 118 202 672, AFSL 293340 as trustee of Aware Super ABN 53 226 460 365.

This SPDS supplements the *Retirement Income Stream Member Booklet (Product Disclosure Statement)* dated 30 September 2022 (**the PDS**) and must be read together with the PDS.

This SPDS sets out the changes to the PDS. Except as outlined in this SPDS, the PDS is unchanged.

This SPDS contains general information only. It does not take into account your specific objectives, financial situation or needs. You should consider the information having regard to your personal circumstances. It is recommended that you consult a financial adviser if you require financial advice that takes into account your personal circumstances. You can check on a business or adviser by visiting the Australian Securities and Investments Commission's website at **moneysmart.gov.au**.

Supplementary Product Disclosure Statement

This SPDS amends the PDS with the information below:

Page 41 Heading reference:

Fees and costs summary – Aware Super Retirement Income Stream

Amendment: In the table, replace the 2nd row 'Investment fees and costs' with the following:

Type of fee or cost	Amount	How and when paid
Investment fees and costs[3,4]	Estimated to range from 0.04% to 0.65% per year ($20 to $325 per $50,000). The amount you pay varies according to which option/s you select. See the table in the 'Additional explanation of fees and costs' section for more information.	Investment fees and costs are accrued daily in the unit price of each investment option and deducted from the assets of the fund or an underlying investment vehicle in varying frequencies (typically monthly or quarterly).

Amendment: Replace footnote 4 with the following:

Investment fees and costs include an amount for performance fees, ranging from 0.00% to 0.31% depending on your investment option/s. The calculation basis for these amounts is set out under 'Additional explanation of fees and costs'.

Page 42 Heading reference:

Example of annual fees and costs for a superannuation product

Amendment: Replace the fee example in the table with the following:

Example – Growth investment option		BALANCE of $50,000
Administration fees and costs	$52 + 0.23%	For every $50,000 you have in the superannuation product, you will be charged or have deducted from your investment **$115** in administration fees and costs, plus **$52** regardless of your balance.
PLUS Investment fees and costs[1,2]	0.56%	**And**, you will be charged or have deducted from your investment **$280** in investment fees and costs.
PLUS Transaction costs[1,2]	0.07%	**And**, you will be charged or have deducted from your investment **$35** in transaction costs.
EQUALS Cost of product[3]		If your balance was $50,000 at the beginning of the year, then for that year you will be charged fees and costs of **$482*** for the superannuation product.

Amendment: Replace footnote 2 under the table with the following:

The calculation basis for this amount is set out under the 'Additional explanation of fees and costs'. These fees and costs are indicative only and are based on the investment fees and costs and transaction costs for the year ended 30 June 2022, other than performance fees which are a five-year average. The actual amount you'll pay in subsequent financial years will depend on the actual fees and costs incurred by the trustee in managing the investment option. Investment fees and costs includes an amount of 0.27% for performance fees.

Page 42 Heading reference:

Cost of product for 1 year

Amendment: Replace the cost of product amounts in the table for the following options as shown below:

Aware Super Flexible Income Plan	Cost of product
High Growth	$532
Growth	$482
Diversified Socially Responsible Investment	$342
Balanced Growth	$462
Conservative Growth	$307

Page 43 Heading reference:

Ongoing annual fees and costs

Amendment: Replace the percentage amounts in the table for the following options as shown below:

	Investment fees and costs (%)				
Investment option	***Investment base fees (%)***	***Performance fees (%) 5-year average***	**Total investment fees and costs (%)**	**Transaction costs (%)**	**Total investment fees and costs and transaction costs (%)**
High Growth	0.34%	0.31%	**0.65%**	0.08%	**0.73%**
Growth	0.29%	0.27%	**0.56%**	0.07%	**0.63%**
Diversified Socially Responsible Investment	0.23%	0.07%	**0.30%**	0.05%	**0.35%**
Balanced Growth	0.28%	0.23%	**0.51%**	0.08%	**0.59%**
Conservative Growth	0.14%	0.10%	**0.24%**	0.04%	**0.28%**

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Product Disclosure Statement

Retirement Income Stream

Member booklet

30 September 2022

Prepared and issued by Aware Super Pty Ltd ABN 11 118 202 672,
AFSL 293340 as trustee of Aware Super ABN 53 226 460 365

Contents

About this booklet

Please read this *Member Booklet* carefully. It outlines the features, benefits, costs and risks of investing in an Aware Super retirement income stream and it will help you compare our products with other products. You should also review the target market determination (TMD) available at **aware.com.au/TMD** to determine if this product is right for you. This *Member Booklet Retirement Income Stream* (also called a Product Disclosure Statement) has been prepared by Aware Super Pty Ltd (referred to in this document as the 'trustee', 'we', 'us', 'our'), the trustee of Aware Super (referred to as 'Aware Super' or 'the fund'). It sets out information about our retirement income stream.

This *Member Booklet* contains general information only and does not take your specific objectives, financial situation or needs into account. You should consider the information having regard to your personal circumstances. It is recommended that you consult a financial adviser if you require financial advice that takes your personal circumstances into account. You can check on a business or adviser by visiting the Australian Securities and Investments Commission's website at **moneysmart.gov.au**.

The information contained in this *Member Booklet* was accurate at the time it was written, but the information can change from time to time. If it is not materially adverse, the updated information will be available on our website at **aware.com.au/pdsupdates**. A paper copy of this *Member Booklet* and any updates is available free of charge by calling us on **1300 650 873**.

We may change any matter in this *Member Booklet* without member consent, but in the case of an increase in fees and charges, we will notify members at least 30 days before the increase occurs.

This offer is only made to people receiving this *Member Booklet* (electronically or otherwise) in Australia. We are not bound to accept any application for an Aware Super retirement income stream.

We may add, close, or terminate investment options, add or remove investment managers, or alter the objectives, strategic asset allocations or asset allocation ranges of an investment option or the trustee's default option at any time. We will notify you about any material changes, although this may be after the change has occurred. If you have money in an investment option that the trustee decides to discontinue, you may have an opportunity to switch to any of our other investment options. Alternatively, we may switch your money to an investment option with a similar risk/return profile.

About your retirement income stream

Starting a retirement income stream provides you with regular income payments when you stop working and allows you to keep your savings in the superannuation environment.

What is a retirement income stream?

A **retirement income stream is simply a way of receiving regular income** from your super fund once you retire. At retirement, you typically have the following options:

1. Withdraw your super as a **lump sum**
2. Receive a **regular income stream** from your super fund
3. A **combination** of 1 and 2.

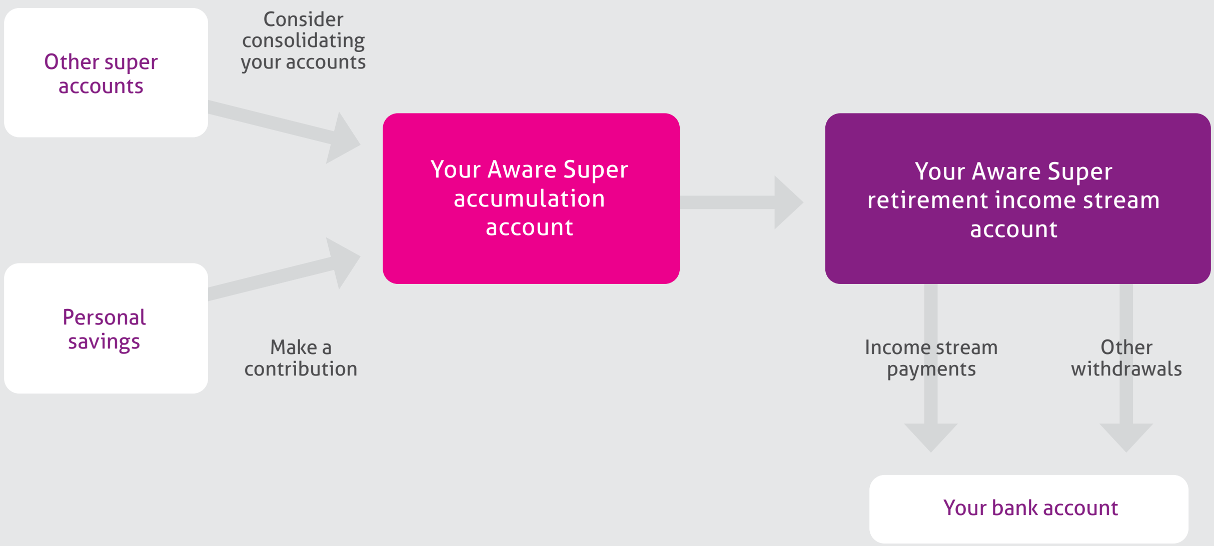
An income stream allows you to draw an income from your super while the balance remains invested in the super environment.

How does an income stream work?

Most income streams are **account-based**, which means you set up an account with your super fund, transfer some of your super into the account, and then your fund makes regular pre-determined payments to you.

It's your money and you stay in control. What's more, the balance of your retirement income stream account continues to be invested in the super environment – just as it did while you were working.

How it works?



9 Reasons to choose an Aware Super retirement income stream

1 Tax-effective income in retirement

There is no tax on investment earnings in a retirement income stream, and the regular payments are generally tax free if you are aged 60 or over.

2 Flexible payments

You choose your annual income amount, as long as you meet the minimum payment requirements. For the 2022/23 financial year the minimum amount you must withdraw ranges from 2% of your account balance for a retiree between the age of 55 and 64 years and up to 7% for a retiree aged 95 years or over. This is due to changes announced by the Federal Government in response to the coronavirus crisis, which have temporarily reduced the minimum payment limits for retirement income stream holders by 50%. At the beginning of each financial year, we will write to let you know how much you'll receive for the coming 12 months. You can alter this amount at any time.

You elect how often payments will be made to your nominated bank account: fortnightly, monthly, quarterly, half-yearly or yearly, and you can withdraw irregular amounts if needed. Your payments are deposited directly into a bank account you nominate.

If you have more than one investment option, you can choose how your payments are drawn from the different options.

3 Investment options to suit your goals

Our 12 investment options give you a broad choice of risk-return combinations, from more conservative options that invest mostly in cash and fixed income, through to options that offer greater growth potential through higher weightings to Australian and international equities. We also offer two socially responsible options for members who want greater certainty about the environmental and social impact of their investments.

You can select from one of our five **diversified** options which hold a spread of investments to help reduce risk, or you can create your own mix using our seven **single asset class** options.

If you don't make a choice, we'll invest your money in our Balanced Growth option, the **trustee's default option**, which balances the need for strong long-term returns while helping guard against large market falls.

No matter what you choose, you decide the proportion you would like to allocate to each option, and you can switch your investments at any time.

Diversified options

Choose an option with a mix of growth and defensive assets.

- High Growth
- Growth
- Diversified Socially Responsible Investment
- Balanced Growth (trustee's default option)
- Conservative Growth

Single asset class options

Tailor your own asset allocation to meet your needs.

- Australian Equities
- Australian Equities Socially Responsible Investment
- International Equities
- Property
- Australian Fixed Interest
- International Fixed Interest
- Cash

4 Competitive fees

How much you pay in fees and costs can impact your account balance. We're an industry fund designed to deliver better financial outcomes for members, not shareholders. As one of Australia's largest superannuation funds, we use our size and scale to help keep our fees competitive.

5 Estate planning options

It's important to know who your retirement income stream will be left to if you die. If you nominate your spouse as your **reversionary beneficiary**, they may continue to receive your regular retirement income stream payments. You can also make binding or non-binding nominations that specify who will receive a lump sum benefit from your retirement income stream in the event of your death.

6 Financial advice to help you make decisions that work for you

We know retirement planning can be complex, which is why we offer advice, over the phone, digitally or face-to-face.

Our advice is fee-based. Once we assess your needs, we'll tell you exactly how much you'll pay for our advice – there are no hidden surprises.

7 Help getting started

You can use money from a number of sources to start your retirement income stream, including other super funds and investments. But you'll need to pool your money in a single Aware Super accumulation account first because you can't add to your retirement income stream account once it's started. This can be a complicated process, so we have a team to assist with the paperwork if you use one of our advisers.

8 Secure access to member portal and award-winning mobile app

Manage your super 24/7 through our highly secure member portal or Aware Super app. With a secure and seamless login experience and a smart dashboard, the Aware Super app has been awarded:

- Gold – 2021 Sydney Design Awards for Digital – Expanded Service or Application.
- Winner - 2020 Good Design Awards Australia for Digital Apps & Software.
- Gold – 2019 Sydney Design Awards for Digital – New Service or Application.

9 Information to help you stay in control

You have online access to your account through our website, so you can monitor your account when and where you want to. You can view your balance, switch your investments, update your contact details, change your drawdown strategy and much more. Once your account is up and running it's easy to register at **aware.com.au/register**.

We keep you informed about upcoming changes and strategies through regular newsletters, emails and articles on our website blog. You'll also find lots of investment information on our website, including how we look after your investments, our current top shareholdings and some of our private equity investments. You can also subscribe for a monthly investment update via email.

Understanding the risks

Whether you are considering setting up a retirement income stream or deciding how much to draw down from your account, make the most of your investment by being informed and balancing the benefits with potential risks.

Investment risk

The value of your super may rise or fall. Your super is invested in financial markets, so the movement of these markets will affect the value of your super. While you can choose between investment options ranging from very low to very high risk, all investments are subject to the risk of loss and their value can change quickly. More information on the different types of investment risk is provided in the 'Investment risks' section on page 33.

Other risks

- Changes to laws and regulations may affect the value of your income stream (for example changes to taxation rules) or when and how you can access your benefit. Changes to rules about how we are required to manage your benefit, may also adversely affect you. We will communicate information about material changes that affect your income stream.
- Fees and costs may increase, affecting your account balance. We'll give you at least 30 days' advance notice if the fees we charge increase or if we introduce a new fee. Where an increase in costs is attributable to an increase in the trustee's costs of managing your investments, the trustee will notify you as soon as possible after the change takes effect. For more information on fees and costs, refer to the 'Fees and other costs' section starting on page 40.
- Your money can run out depending on how much you initially invest, the frequency and amount of your income stream payments and any lump sum withdrawals, and the investment returns you receive.
- During your membership, we may discontinue the investment option you are invested in, or make substantial changes to your chosen investment option. However, if this were to occur, you would receive notification and may have an opportunity to switch to any of our other investment options available at that time.
- The fund itself is exposed to certain operational risks such as unit pricing errors, systems failures and fraud. However, the administration reserve provides funding for material losses that may arise from these types of events.

Neither the trustee nor any other entity named in this *Member Booklet* guarantees the return of capital invested or the investment performance of Aware Super. If you leave, you may get back less than the amount of rollovers paid in because of taxes, fees or poor investment returns.

Features and benefits at a glance

Minimum investment	$20,000
Eligibility/suitability	• Permanently retired • Stopped work due to permanent incapacity • Reached preservation age and met a condition of release • Want an income stream in retirement
Income payments	**Minimum annual payments** Between 2% and 7% of account balance based on your age at 1 July (prorated in the first year) for the 2022/23 financial year. Between 4% and 14% of account balance based on your age at 1 July (prorated in the first year) from the 2023/24 financial year. **Maximum annual payments** No limit
Lump sum withdrawals	Yes, as long as you receive your minimum payment for that financial year.
Payment frequency	Choice of fortnightly, monthly, quarterly, half-yearly or yearly.
Top-ups	No, however, you can maintain a super account, where further contributions may be made.
Tax treatment	**60 or over:** generally, no tax is payable on income stream or lump sum payments. **Under 60:** (regular income payments): taxable component taxed at your marginal tax rate (plus Medicare levy) and you may be eligible for a 15% tax offset. **Under 60:** (lump sum withdrawals): taxed at lump sum rates. Importantly, there is a lifetime limit on the total amount of super that can be transferred into retirement phase income streams. Please refer to the 'Tax and your retirement income stream' section of this *Member Booklet* for further details.
Investment choice/switches	Yes, you can choose/switch between 12 investment options.
Payment drawdown options (if you have more than one investment option)	If you invest in more than one option, you can ask us to draw your pension payments from your investment options in one of three ways: 1. Pro-rata – your money is drawn from all your investment options in the same proportion as your money is invested at the date of deduction; or 2. Priority – you can nominate which investments your money is paid from first, second, third etc. You must nominate a priority for every option you are invested in; or 3. Percentage (only available online once you've applied and registered for online access) – you can nominate the percentage to be deducted from each of your investment options. If you don't make a valid choice, the pro-rata method will apply.
Estate planning/death benefit options	Three options available: • reversionary beneficiary • non-lapsing or lapsing binding death benefit nomination • non-binding death benefit nomination.

Setting up your retirement income stream

There are a lot of things to think about before and after you set up your retirement income stream. Things like combining any super accounts you have into one account so the money you use is in one place. Deciding how much income you need and how often you need it. Nominating beneficiaries for your account. This chapter covers some of these areas.

Do you meet the age requirement?

To start a retirement income stream, your superannuation benefit must be unrestricted non-preserved or you need to have:

- permanently retired and reached your preservation age or be permanently incapacitated; or
- reached age 65.

If your date of birth falls	Your preservation age is
Before 1 July 1960	55
Between 1 July 1960 and 30 June 1961	56
Between 1 July 1961 and 30 June 1962	57
Between 1 July 1962 and 30 June 1963	58
Between 1 July 1963 and 30 June 1964	59
After 30 June 1964	60

Note: Generally, temporary residents are not eligible to start an Aware Super income stream.

Consolidate your super before you start

You can set up your Aware Super retirement income stream account using money from a number of different sources, including super sources (e.g. money from other super funds and other income streams) and non-super sources (e.g. the proceeds from the sale of shares or property).

Any non-superannuation money you wish to use to set up your retirement income stream must first be deposited into an Aware Super super account and contributions tax may be payable on entry to the superannuation system.

Amounts held in other super funds and other income streams are already in the superannuation system but you may need to consolidate these different amounts into a single Aware Super super account before setting up your retirement income stream. This is important because once you set up your retirement income stream, the government rules do not allow you to make further contributions or transfers into this account. Once all the amounts are consolidated into a single Aware Super accumulation account, the money can be moved into your retirement income stream account and your income payments can begin.

If you subsequently wish to add superannuation money to your retirement income stream account, you can move the current balance of your existing retirement income stream account back to an Aware Super accumulation account, transfer or contribute the additional funds into this account, then set up a new retirement income stream. However, there may be tax consequences in doing so.

There is no age limit to transfer back into a super account, but age limits apply to certain contribution types into super. For more information, read the Aware Super accumulation account *Member Booklet Supplement: How Super Works* available at **aware.com.au/pds**.

You may need to maintain two accounts within the super system:

- your retirement income stream account from which your regular income payments are deducted
- a super account for any super contributions made by you or your employer. You should consider all of the information contained in the relevant super *Member Booklet* before making a decision. The *Member Booklet* is issued by the trustee and is available on our website at **aware.com.au/pds**.

You can consolidate your two accounts at any time by transferring your retirement income stream account balance back to your super account, then transferring some or all of it to a new retirement income stream account. There may be tax or social security implications and you should consider seeking advice from a financial adviser before consolidating your accounts.

If you are not already a member of Aware Super, you will first need to join as a personal member. Once your account is set up, you can use it to consolidate all amounts you wish to use to set up your retirement income stream. You can find a copy of the *Member Booklet: Personal* on our website, at **aware.com.au/pds** or by contacting us on **1300 650 873**. The *Member Booklet* is issued by the trustee and contains the *Personal member application* form, or you can apply online. You should consider all the information contained in the *Member Booklet* before making a decision relating to the fund.

Before taking any super money out of your other super fund(s), you should consider where any future employer contributions may be paid and the effect of any transfer of super monies on your insurance arrangements, because no insurance cover is available through your Aware Super retirement income stream.

This may also be a good time to check for any lost super. You can use our online **search and combine** tool to search for your lost super. You can also add in any other accounts you'd like to transfer, and combine them all into your Aware Super accumulation account.

To search for your lost super, visit our website at **aware.com.au/combine**.

You won't be charged any fees to transfer your super from your Aware Super accumulation account to an Aware Super retirement income stream account or to transfer the balance of your retirement income stream account back to an Aware Super accumulation account (e.g. to consolidate your super accounts).

Note: If you apply for a partial transfer from your Aware Super accumulation account to an Aware Super retirement income stream account, the amount will be deducted 'pro-rata' from your existing investment options in your Aware Super accumulation account. If the amount requested as a partial transfer does not allow $1,500 to remain in your account, then the amount released will be your account balance less $1,500.

Any tax deductions for personal contributions made to super must be claimed from your super account prior to commencing a retirement income stream account.

Consolidation checklist

Make sure all the amounts you wish to use to set up your retirement income stream are consolidated in a single Aware Super accumulation account before you set up a retirement income stream. These amounts may include:

- part of other Aware Super accumulation account(s)
- amounts held in other superannuation funds
- an existing income stream account with another financial institution
- any lost super located through the Australian Tax Office (ATO)
- money from other investments e.g. the proceeds from the sale of a property or shares that you want to invest in your Aware Super retirement income stream.

You must meet eligibility rules for certain contributions to super and should also consider the impact of the non-concessional (after tax) contribution cap (for the 2022/23 financial year the cap is $110,000 per year or up to $330,000 over 3 years for those aged less than 75). This cap is nil for individuals with a total super balance that is greater than or equal to the general transfer balance cap. See page 35 for details.

Decide your annual income stream amount

There are a number of things you need to consider when working out how much you want to receive as regular income payments. These include:

- how long you want your retirement income stream to last
- what you need to live on and your expenses
- any other income you are receiving
- how the payments may affect any social security entitlements.

In deciding your payment amount, you must also consider the minimum payment limit.

When your retirement income stream first starts, and at the start of each financial year thereafter, we will send you a letter informing you of the Government's minimum payment limit that applies to your account balance and what your new income payment will be for that financial year. You can then nominate how much (above the applicable government limit) you wish to receive in income payments for that year.

You may change the amount of your income payments at any time provided you stay above the minimum limit for your retirement income stream. Please allow 15 working days for us to process your request to change your income payments.

Minimum payment limits

The Government sets annual minimum limits on the amount you must withdraw in any one financial year from a retirement income stream account. The minimum payment limits are a percentage of your account balance, which varies depending on your age. As a result of changes announced by the Government in response to the coronavirus crisis, the minimum payment limits for retirement income stream holders have been temporarily reduced by 50% for the 2022/23 financial year. The standard minimum payment limits are scheduled to be reinstated from 1 July 2023, subject to government legislation.

The minimum payment limits are shown in the table below:

Age at start of retirement income stream (and 1 July each year)	Minimum limit (percentage) for the 2022/23 financial year	Minimum limit (percentage) from the 2023/24 financial year
Under 65	2%	4%
65–74	2.5%	5%
75–79	3%	6%
80–84	3.5%	7%
85–89	4.5%	9%
90–94	5.5%	11%
95+	7%	14%

A pro-rata minimum applies to members who start their retirement income stream part-way through the year.

Except as discussed below, the account balance used to calculate your minimum amount is your account balance at each 1 July (the beginning of the financial year). We will automatically adjust your payments to meet the minimum limit if the amount you have requested falls below the minimum annual limit.

Note: The minimum limit (per annum) will always be rounded to the nearest $10.

Your minimum limit in the first year

If you start your retirement income stream	Your minimum limit in the first year is
On 1 July of any year	The applicable percentage of your opening account balance.
Between 2 July and 31 May in a financial year	The applicable percentage of your opening account balance, calculated 'pro-rata' based on the portion of the year remaining. For example, if you start your retirement income stream with only three quarters of the year remaining, your minimum limit will be three quarters of the usual minimum limit.
In June of any year	N/A – no minimum limit applies for that financial year.

What happens in subsequent years?

At the beginning of each financial year, we will send you a letter informing you of your minimum limit for the new financial year. If you have previously chosen the minimum amount for your payments, we will automatically adjust your income payments on 1 July each year to the minimum limit and you won't have to do anything more. If you choose a specified amount you will receive this amount each year, provided it remains at or above the minimum limit, unless you advise us otherwise.

Examples

If you start on 1 July 2022

If you were 60 years of age on 1 July 2022 and you opened your Aware Super retirement income stream with $200,000, your minimum pension limit is 2% and the minimum amount will be $4,000 for the full financial year. The amount you take monthly, quarterly or half-yearly is simply this annual amount divided by the relevant payment frequency. So, if you want monthly income payments you divide $4,000 by 12, which is $333.33. You can take more than the minimum amount of $333.33 a month, but you cannot take less than the annual minimum amount of $4,000.

The table shows the minimum age-based payment per year for an account balance of $200,000.

Age	Minimum limit (percentage)	Minimum amount each year	Equivalent monthly payment
55–64	2%	$4,000	$333.33
65–74	2.5%	$5,000	$416.67
75–79	3%	$6,000	$500.00
80–84	3.5%	$7,000	$583.33
85–89	4.5%	$9,000	$750.00
90–94	5.5%	$11,000	$916.67
95 or over	7%	$14,000	$1,166.67

If you start after 1 July 2022

If you open your retirement income stream account on 1 January 2023, there are only six months or 180 days left in that financial year. Based on the above example, you will only have to take $1,970 (rounded to the nearest $10) for the remainder of the year or $330.00 per month calculated as follows:

$$\frac{\$4{,}000 \text{ x } 180 \text{ days remaining}}{365 \text{ days}} = \$1{,}972.60$$

Note: These examples are illustrative only and are based on the factors stated and should not be taken to contain or provide an estimate of the minimum amount you will receive.

What happens when you make a withdrawal?

If you would like to withdraw your full account balance as a lump sum payment, we are legally required to ensure that you have first been paid your minimum limit. A pro-rata minimum applies in the year you withdraw your full account balance as a lump sum. This means if you have not already received at least the minimum pro-rata income limit in the financial year, then part of your lump sum withdrawal payment must first be paid as an income stream payment (rather than a lump sum payment) so that the minimum payment limit requirement is met.

If you would like to withdraw part of your account balance as a lump sum payment, we are legally required to ensure that you retain an account balance sufficient to meet the minimum limit, taking into account income payments you have already received, for the full financial year.

If you would like to withdraw amounts in the form of an irregular income stream payment, the payment amount will automatically count towards your minimum payment limit.

How long will your retirement income stream last?

It is important to remember that you may not be paid an income stream for the rest of your life. Payments can only be made while there is money in your account. How long your retirement income stream lasts depends on the amount of your initial investment, your income payment amounts, any lump sum withdrawals, fees, taxes and investment earnings (or losses) on your balance. These and other factors that impact on your retirement income stream are explained in the 'Understanding the risks' section on page 4.

When your account balance is fully paid out, your account will close and, unless you have another income stream account or super account with us your membership will cease.

Payment frequency

Your income payments are made to your nominated bank, building society or credit union account:

- fortnightly on a Wednesday; or
- monthly by the 12th day of the month; or
- quarterly by the 12th day of September, December, March and June; or
- half-yearly by the 12th day of June and December. Alternatively, you may nominate the two months you prefer (six months apart) and payments will be made on the 12th day of those two months; or
- yearly by the 12th of June. Alternatively, you may nominate the month you prefer and payment will be made on the 12th day of that month.

If the payment day falls on a public holiday or weekend, payment will be made on the prior business day.

Payment rules

- Payments can only be paid into an account in your name, or a joint account that includes your name.
- A payment must be made at least once each financial year, unless you start your retirement income stream in June. (See 'Your minimum limit in the first year' on page 8).
- If you invest in more than one option, you can ask us to draw your payments from your investment options in one of three ways:
    1. **Pro-rata** – your money is drawn from all your investment options in the same proportion as your money is invested (e.g. if you have 30% in High Growth and 70% in Growth, payments are made 30% from High Growth and 70% from Growth); or
    2. **Priority** – you can nominate which investments your money is paid from first, second, third etc. When your first choice has been fully drawn, we will draw your income payments from your second choice and so on. You must nominate a priority for every option you are invested in, otherwise we will not be able to accept your nomination; or
    3. **Percentage** (only available online once you've applied and registered for online access) – you can nominate the percentage to be deducted from each of your investment options.

    If you don't choose the priority or percentage method, the pro-rata method will apply.
- Your retirement income stream cannot be transferred to another person when you die, except to your reversionary beneficiary if you have nominated one for your retirement income stream account (see page 10).
- If you do not specify how you would like your withdrawal to be treated, Aware Super will treat it as a lump sum withdrawal and it will be taxed accordingly. See the 'Tax and your retirement income stream' section on page 35 for the taxation treatment of each payment type.

Lump sum withdrawals and one-off payments

There are several ways to withdraw additional or irregular amounts from your retirement income stream and your payment may be taxed differently, depending on which type of payment you choose. Depending on your instruction, one-off payments may be treated as:

- an irregular income stream payment – in this case, if you are aged less than 60 you may pay income tax on the payment, but you may be eligible for a 15% tax offset;[1] or
- a lump sum withdrawal – this is treated as a superannuation benefit payment and if you are aged less than 60 may be subject to lump sum tax;[1] or
- a combination of an irregular income stream payment and a lump sum withdrawal.

[1] If you are aged 60 or more any payments made to you are generally tax free.

Lump sum withdrawals and one-off payments are electronically transferred to your nominated bank, building society or credit union account, net of any tax required to be deducted. The tax that applies to payments is discussed in 'Tax when setting up your retirement income stream' beginning on page 35.

If you wish to make a withdrawal, please use the *Withdraw or transfer your income stream* form which is available on our website at **aware.com.au/forms** or by calling us on **1300 650 873**.

Rules for lump sum withdrawals

- If you would like to withdraw the full balance of your account, we are legally required to pay your minimum income payment amount for the relevant portion of that financial year. This means if you have not already received at least the minimum income payment in the financial year, then part of the full withdrawal payment must be taken as an income stream payment so that the minimum income payment requirement is met. The remaining amount can then be taken as either an income stream or lump sum payment.
- If you request a partial lump sum withdrawal, we must ensure that you retain a sufficient balance in your account to meet the minimum limit for the full financial year, taking into account any income payments you have already received in the financial year.
- If you have more than one investment option and you make an irregular payment or withdrawal, you may nominate which investment option you would like the money to be paid from. If you do not make a nomination, the withdrawal will be deducted from all your investment options in the same proportion as your money is invested.

Choose your beneficiaries

It's important to consider who you would like to receive any money left in your retirement income stream account if you die.

Who gets your retirement income stream if you die?

If you die while you have a retirement income stream account, any balance will be paid as a death benefit to a beneficiary or beneficiaries. If you do not have a reversionary beneficiary nomination or a valid binding nomination in place we will decide how to distribute your death benefit (we will take your non-binding nomination into consideration and be guided by superannuation law). Your death benefit will normally be paid to one or more of your dependants or to your legal personal representative. Your death benefit will be your account balance at the time of payment less any applicable tax.

The treatment of death benefits can be complex. In particular, a lump sum death benefit is taxed differently from an income stream and a payment to a dependant is taxed differently from a payment to a non-dependant for tax purposes (see page 38 for information on the tax treatment of death benefits). In addition, there may be an impact on your social security entitlements, when you make or change a reversionary beneficiary. If you are unsure about how these rules apply to you, we recommend you obtain advice on the most effective way to plan your estate.

Anyone that you nominate should be a 'dependant' under superannuation law (see page 12) or your legal personal representative.

Unless you have made a valid reversionary beneficiary nomination, your account balance will automatically be transferred to the Cash investment option when we receive satisfactory proof of your death. Your account balance will remain invested in the Cash investment option until it is paid out in accordance with the fund's rules.

You have three death benefit nomination options for your retirement income stream:

1. a reversionary beneficiary nomination
2. a binding nomination (lapsing or non-lapsing, see explanation on page 11)
3. a non-binding nomination.

1. A reversionary beneficiary nomination

- You can nominate your spouse (including a de facto spouse) to continue to receive your income payments after your death.
- You can do so when you commence a retirement income stream by completing the *Reversionary beneficiary nomination* section of the member application form at the end of this Member Booklet or at any time thereafter by completing and returning an *Income stream death benefit nomination* form.
- Your reversionary beneficiary will receive a retirement income stream in the event of your death or they can choose to withdraw all or part of the retirement income stream as a lump sum, provided the reversionary beneficiary nomination is valid and the death claim is approved by us.
- If you make a reversionary beneficiary nomination, it overrides any prior non-binding nomination that you have made, but not a binding nomination. You must first cancel a binding nomination using the *Income stream death benefit nomination cancellation* form before replacing it with another nomination.
- Once made, your nomination remains in place provided that the person nominated is still your spouse, and you do not separate on a permanent basis, unless you cancel, amend or change it.
- If your reversionary beneficiary dies before you do, this will invalidate your nomination. You can cancel your reversionary beneficiary nomination and make another beneficiary nomination.
- In the event of your death, if your reversionary beneficiary nomination is not valid, your retirement income stream will be paid as a lump sum to one or more of your dependants or your legal personal representative as decided by us (guided by superannuation law).
- You cannot have a reversionary beneficiary nomination in place at the same time as a non-binding nomination or binding nomination.
- A reversionary beneficiary nomination ceases to be effective and valid if you separate on a permanent basis from your spouse.
- A reversionary beneficiary nomination does not need to be renewed.
- Once a retirement income stream reverts to a spouse under a reversionary beneficiary nomination, they have authority to manage the account in the same way as you except that they cannot make a reversionary beneficiary nomination.
- In determining whether to nominate a reversionary beneficiary, remember that the retirement income stream amount that your spouse receives will count towards their personal transfer balance cap if they maintain the reversionary income stream one year after the date of your death.

2. A binding nomination

- A binding nomination directs us to pay your account balance to your chosen beneficiary or beneficiaries.
- It is binding on us as long as it is valid (see 'Making a valid binding nomination' in the next column).
- The death benefit payment is generally made as one or more lump sums.
- To make a binding nomination you must complete and return the *Income stream death benefit nomination* form,[1] available on our website or by calling us.
- You can amend a binding nomination at any time by providing a new binding nomination, or you may cancel the nomination at any time by completing and returning the *Income stream death benefit nomination cancellation* form.[1]
- If you decide to change your binding nomination (while it is still valid) to another type of death benefit nomination, you must first cancel your current binding nomination.
- It is important to review your binding nomination as your personal circumstances change to ensure that you maintain a valid binding nomination that reflects your wishes. You can choose to make your binding nomination either lapsing or non-lapsing:
  - A lapsing binding nomination will remain in force for three years from the day after it was first signed or last confirmed or amended (see the form for more details).
  - You may renew a lapsing binding nomination for a further three years. To do so, you must advise us in writing **before the original lapsing binding nomination expires**. Your request must be signed and dated, but does not need to be witnessed.
  - A non-lapsing binding death benefit nomination does not expire, so it does not need to be confirmed every three years, accordingly it is important to review your nomination regularly to ensure that it is still appropriate for you. A non-lapsing nomination only becomes binding when we consent to the nomination.

[1] Only members of the fund can make a binding beneficiary nomination and we can only accept original or certified copies of completed binding nomination or cancellation forms. Nominations made by attorneys under a power of attorney will not be accepted.

3. A non-binding nomination

- A non-binding nomination allows you to nominate your preferred beneficiary or beneficiaries to receive your death benefit.
- We will take your non-binding nomination into consideration when deciding how your benefit is distributed on your death (guided by superannuation law).
- It is not binding on us.
- The death benefit payment is generally made as one or more lump sums.
- It does not expire and does not need to be renewed.
- It can be changed or replaced with any other nomination.
- You can make a nomination using the *Income stream non-binding death benefit nomination* form or in the form of a signed and dated letter to the trustee.

Making a valid binding nomination

- You must ensure that the benefit split you stipulate for your nominated beneficiaries totals 100%.
- The *Income stream death benefit nomination* form must be signed and witnessed according to the instructions on the form and must be received and accepted by us.
- Your nominated beneficiary or beneficiaries must be dependants as defined under superannuation law (see 'Who can you nominate?' on page 12 for definitions) or your legal personal representative.
- Your binding nomination will become invalid if one or more of your nominated beneficiaries dies or no longer meets the definition of 'dependant' under superannuation law at the time of your death – see 'Who can you nominate?' on page 12 for more information.
- A lapsing binding death benefit nomination must be current at the date of death or still within the validity period (three years from the day after it was first signed or last confirmed or amended).

Note: You can amend or change your nomination type at any time by completing and returning an *Income stream death benefit nomination or Income stream non-binding death benefit nomination* form. If you have an existing binding nomination in place, and wish to change to a non-binding or reversionary nomination you must first cancel the binding nomination using the *Income stream death benefit nomination cancellation* form. These forms are available on our website at **aware.com.au/forms** or by calling us.

Who can you nominate?

You can only nominate your spouse as your reversionary beneficiary. However, with both a binding and a non-binding nomination, you can nominate more than one beneficiary if you wish, and you can choose the percentage of your account balance that each beneficiary should receive as a lump sum.

Each person you nominate must be your dependant (as defined by superannuation law) both at the date of your nomination and at the date of your death or your legal personal representative. So it is important to review your nomination when your circumstances change. Events such as marriages, divorces, births and deaths may change your preferences.

When you make a non-binding nomination you must nominate your dependant(s) (as defined by superannuation law) or legal personal representative. If you don't have any dependants, you may nominate another individual. We will only be able to pay an individual who is not a dependant if you are not survived by any dependants and a legal personal representative is not appointed following your death. **We will decide how the benefit is distributed on your death but will have regard to your nomination**.

A dependant is **your spouse, your children or your other dependants** as described below.

Your spouse:

- a person who is legally married to you; or
- a person (whether of the same sex or a different sex) with whom you are in a relationship that is registered on a relationship register of a state or territory; or
- a de facto spouse (whether of the same sex or a different sex).

Your children:

- your natural children; or
- your spouse's children (see meaning of spouse above); or
- adopted, step and ex-nuptial children; or
- your children within the *Family Law Act 1975* (e.g. children under surrogate arrangements).

Your other dependants:

- a person we consider is financially dependent on you; or
- a person with whom you have an interdependency relationship, which is generally a person with whom you:
  - live; and
  - have a close personal relationship; and
  - provide financial support (or they provide financial support to you); and
  - provide domestic support and personal care (or they provide domestic support and personal care to you).

An interdependency relationship can also occur where two people have a close personal relationship, but the other requirements are not satisfied because either or both of them suffer from a physical, intellectual, psychiatric or other disability. In most cases, your parents and siblings are not considered to be your dependants, unless they are financially dependent on you or they are in an interdependency relationship with you.

Your legal personal representative:

- also known as an executor or administrator. Your legal personal representative can be nominated in a binding death benefit nomination to receive some or all of your benefit in the event of your death. They will distribute your benefit according to your Will, even if the beneficiaries under your Will are not dependants. If you do not have any dependants you should consider making a binding death benefit nomination and a Will.

See page 38 for the different definitions of dependants for tax purposes.

Ensure your nomination is up-to-date

If at the time of your death you have in place a valid reversionary or binding beneficiary nomination, we will pay the death benefit in accordance with your nomination. However, circumstances may change which may cause your reversionary or binding nomination to become invalid such as in the case of divorce, death of a nominated dependant, a change in an interdependency relationship, or if a court order prevents the payment or affects the validity of the nomination.

Where there is no valid reversionary or binding beneficiary nomination, we must determine to whom and in what proportions your death benefit is to be paid, guided by the trust deed and superannuation law. We will aim to ensure our decision is fair and reasonable. We will consider relevant matters at the time of your death, including identifying and considering your dependants and the extent of their dependency.

To avoid any delay or confusion concerning the payment of your death benefit, we encourage you to make a reversionary or binding beneficiary nomination and to update it as needed, in particular when relevant circumstances in your life or in the lives of your dependants change.

How many nominations can you make?

You can only have one valid nomination in place for each income stream account. However, if you have started more than one income stream account with Aware Super, you will need to treat each one individually when it comes to nominating who will receive your benefit if you die. This means you will need to nominate beneficiaries for each income stream account you hold.

Your investment options

When choosing an investment option, it's important to consider your personal objectives, financial situation and needs. Your choices range from conservative options that invest mostly in cash and bonds, to options that offer greater growth potential from higher weightings to shares and property.

Aware Super gives you a choice of 12 investment options, each with a specified investment objective. You can invest in more than one option, and you can choose the proportion allocated to each.

You can also switch your investments at any time online (if you have registered for our online services), or by completing a *Change of income stream investment details* form. This form is available on our website or by contacting us.

Note: Any investment option choice you make on your *Retirement income stream member application* form at the back of this *Member Booklet* will only apply to your retirement income stream account, not your super account.

Choose from 12 investment options

Our investment options include five diversified options and seven single asset class options. Two of these options are socially responsible investment options.

Diversified options

The diversified options provide you with the benefit of diversification by being invested across different asset classes, investment styles and managers. The percentage allocated to each asset class varies, which means each diversified option has a different potential return and risk profile.

The diversified options are:
- High Growth
- Growth
- Diversified Socially Responsible Investment (SRI)
- Balanced Growth (trustee's default option)
- Conservative Growth.

Single asset class options

The single asset class options are invested in one asset class only. These options allow you to take a greater degree of control over your account by choosing your allocation to one or more asset classes. However, some asset classes are not available as a single asset class option (e.g. infrastructure and private equity), which means your account won't have the same level of diversification as the diversified options. The risk and potential return of the single asset class options reflect the particular asset class in which they are invested.

The single asset class options are:
- Australian Equities
- Australian Equities Socially Responsible Investment (SRI)
- International Equities
- Property
- Australian Fixed Interest
- International Fixed Interest
- Cash.

We may add, close, or terminate investment options, add or remove investment managers, or alter the objectives, strategic asset allocation or asset allocation ranges of an investment option or the trustee's default option at any time. We will notify you about any material changes, although this may be after the change has occurred. If you have money in an investment option that the trustee decides to discontinue, you may have an opportunity to switch to any of our other investment options. Alternatively, we may switch your money to an investment option with a similar risk/return profile.

Our Socially Responsible Investment (SRI) options

We offer the Diversified SRI and Australian Equities SRI options for members wanting to avoid particular industries that don't align with their values. A key feature of these options is that they exclude investments considered to have a highly adverse environmental or social impact.

For more information, including the screening criteria applied to the options, refer to the section 'About the Socially Responsible Investment (SRI) options' and the relevant investment option information in the 'Diversified options' and 'Single asset class options' sections.

Trustee's default option

If you do not choose an investment option(s) in your application, your account balance will be invested in the trustee's default option. The trustee's default option is Balanced Growth. Balanced Growth balances the need for strong long-term returns and helps guard against big market falls.

Making an investment decision

Make sure you read all the information in this chapter before making a decision. You should choose investment options to suit your personal objectives, financial situation and needs and you should consider seeking advice from a financial adviser before you choose or change your investment option(s).

Important: We are not responsible for your investment choice and we do not review your investment choice. Please read the section 'The importance of diversification to manage investment risk' on page 34 and you may wish to consult a financial adviser before making any investment decisions.

Responsible Ownership

At Aware Super, we integrate environmental, social and governance (ESG) considerations into our investment processes across all of our investment options and asset classes. Known as Responsible Ownership, this approach helps us better manage risk and generate strong long-term returns for our members, while also contributing positively to the world in which our members live and retire.

We believe it is important to take ESG considerations into account since a company's approach to managing ESG risks and opportunities can have a meaningful impact on its long-term viability and success. Over the long term, we think companies and assets with sound ESG management are more likely to increase in value. By contrast, companies that poorly manage ESG risks have the potential to destroy shareholder value and may also harm the broader community and environment.

Our approach applies to all of our investment options, however, additional screening applies to our Socially Responsible Investment options. For more information, refer to the 'About the Socially Responsible Investment (SRI) options' section. Our Responsible Ownership approach consists of four main pillars which are outlined below. We understand that things can change quickly, and this multi-faceted approach means we are able to identify emerging ESG risks and issues and respond appropriately.

Pillar 1: Integration

Our approach is not limited to a set-and-forget analysis of an investment, but rather is a holistic approach to assessing ESG risks and opportunities over an investment's life. We do this by considering ESG factors in our due diligence and selection when we first invest and through ongoing monitoring.

When we are considering partnering with an external investment manager, we assess their ESG capabilities and policies before deciding to invest with them. We also regularly meet with them to review their ESG integration approach and discuss how they are monitoring ESG risks and issues. While we expect the investment managers we partner with to monitor ESG risks that relate to our investments, we allow them some flexibility to determine the manner in which ESG considerations are implemented.

Examples of some of the key ESG factors we consider are provided below.

Environmental Factors	• Climate change and its potential impact on investments • Waste, pollution and contamination • Water (e.g. availability and supply) • Biodiversity and sustainable land use
Social Factors	• Workplace health and safety • Diversity and inclusion • Adherence to international conventions • Modern slavery/forced labour (both in company operations and supply chains) • The effectiveness of a company in maintaining its 'licence to operate' and managing labour relations • Product responsibility
Governance Factors	• Board composition (diversity, expertise & independence) • Executive remuneration • Transparency & reporting • Conduct & culture • Technology & innovation • Data privacy & cyber security

We may take into account other ESG factors if they apply to a particular investment or investment manager.

Where investment managers take into account ESG considerations, they may consider different ESG factors.

Pillar 2: Voting

As a large investor we own shares in a diverse range of companies which entitles us to vote on various matters. We use our voting rights to support resolutions that seek to enhance value for our members across a range of areas such as board composition, executive remuneration, and climate-related disclosure and action. Information on our voting decisions are available on the website at **aware.com.au/proxyvoting**.

Where applicable, external and internal investment managers are expected to actively consider their position on company resolutions. However, the trustee has the right to any final voting decision and can override a manager's vote.

Pillar 3: Engagement

We monitor ESG considerations continually, and when a material risk or issue is identified we use our ownership rights to engage with the relevant company, particularly where we believe its management of ESG issues is deficient relative to government/regulator or industry standards and/or community expectations, or its conduct threatens its reputation and value. The objective of engagement is to encourage the company to improve its ESG policies and practices, and thereby protect or increase its economic value. Where engagement does not lead to the desired outcome or changes within a reasonable timeframe, other actions such as voting against directors, or raising a Shareholder proposal, are considered. In certain circumstances, divestment from a particular sector or company may be considered. Refer to the section 'Our investment restrictions and exclusions' for more information.

Pillar 4: Collaboration & Advocacy

We believe we can be more effective and have a more material impact by working alongside other like-minded investors and industry associations. We are a signatory to the Principles for Responsible Investment (PRI) and are involved in a number of collaborative initiatives. This includes the Australian Council of Superannuation Investors (ACSI), Responsible Investment Association of Australasia (RIAA), Climate Action 100+, the Investor Group on Climate Change (IGCC), 40:40 Vision, Investors Against Slavery and Trafficking Asia Pacific (IAST APAC), the Carbon Disclosure Project and the Water Disclosure Project.

Collaborating with other large investors in these initiatives helps us to better understand the risks and opportunities associated with various ESG issues across a range of industries and sectors.

Climate change

We believe climate change is one of the most significant long-term risks to our portfolio – and therefore our members' retirement outcomes. As a result, we have undertaken significant research and work to establish a plan to help us address the large, systemic and structural changes that limiting temperature rises and climate change will require. Our plan, known as the Climate Change Portfolio Transition Plan, is a framework of recommendations and targets that will focus our efforts on:

- developing a decarbonisation pathway for our investment portfolio;
- transitioning our portfolio to lower climate change risk in our investments and, where required, helping those investments adapt to a changing climate, e.g. working with our agricultural investments to help them adapt their practices to a warming and changing climate;
- proactively investing to capture opportunities in energy-efficient investments, that will emerge as we move towards a decarbonised economy; and
- lowering risk through actively managing and engaging with portfolio investments on their climate change transition pathway.

In relation to our equities portfolios we have introduced custom benchmarks for portfolios that are managed passively or use a systematic investment style (meaning managed using advanced computer modelling techniques to construct portfolios). In addition to excluding the fund-wide exclusions outlined below, these custom benchmarks exclude, or have a reduced weighting to, the most carbon intensive companies from the respective benchmarks based on emissions and fossil fuel reserves data. This is in line with our target to reduce the carbon exposure in our equities portfolio by at least 30% by 2023.

You can find more information on our Climate Change Portfolio Transition Plan on our website at **aware.com.au/climatechange**.

Our investment restrictions and exclusions

While in general our approach is to use engagement and proxy voting to positively influence the behaviour and ESG practices of the companies we invest in, in certain circumstances we believe it is appropriate to exclude a particular sector or company from our investment portfolios. These circumstances include:

- if we consider that an investment is inappropriate to the extent that it may have a negative reputational impact;
- if the investment would lead to contravention of international treaties or conventions that Australia is a signatory to; or
- if it is not deemed possible to influence a company through engagement or proxy voting.

On this basis, we have implemented the below portfolio-wide restrictions and exclusions.

1. **Tobacco** – direct investments in tobacco manufacturers and/or producers (including subsidiaries, joint ventures and affiliates) which derive 5% or more of their revenue from the manufacture and/or production of tobacco products.
2. **Thermal coal** – direct investments in companies that generate 10% or more of their revenues directly from mining thermal or energy coal.[1]
3. **Controversial weapons** – direct investments in companies that derive any revenue from the manufacture and/or production of controversial weapons including chemical weapons, cluster munitions, land mines and depleted uranium.

Note that the above exclusions don't apply to the use of derivatives which may have an indirect exposure to these types of companies. In addition, implementation of the above exclusions may be affected by the accessibility and accuracy of data, or an error by an external service provider. This may result in inadvertent holdings, typically over the short term, in investments we are seeking to exclude.

We may divest from other sectors, industries or investments without prior notice, in line with our Responsible Investment Policy as updated from time to time.

[1] Due to liquidity constraints, unlisted thermal coal mining assets may take time to divest from and there may be a small residual exposure. Such assets will be sold at fair value as soon as reasonably practicable, but by no later than 30 June 2023.

For more information, refer to our Responsible Investment policy on our website at **aware.com.au/responsiblesuper** or you can obtain a copy without additional charge from us.

Professional investment managers invest your money

We work with a panel of professional investment managers who specialise in different asset types to assist us in managing your super. A current list of managers by asset class is available on our website at **aware.com.au/whomanagesyoursuper**.

We also have a team of investment specialists who oversee our investment portfolios and manage a number of investments in house. The investment team seeks to deliver value to members with an approach that focuses on:

- Asset allocation to get an appropriate mix of different investment types over all time frames.
- High quality research to underpin and improve investment decisions.
- Managing select investments in house, which brings market insights and greater access to unique opportunities.
- Integrating Environmental, Social and Governance (ESG) considerations into the investment process.
- Active ownership and engagement to drive positive change with the companies we invest in.

The team also performs a cash flow and portfolio re-balancing function for the diversified investment options to help ensure each option is invested as closely as possible in line with the target asset allocations.

Investment approaches

Investment managers use different approaches to select investments, with two of the main approaches, passive and active management, described below. No single approach is guaranteed to outperform all others in all market conditions.

Passive management

Also known as index managers, passive managers choose investments to form a portfolio that closely tracks a market benchmark (or index). Passive managers usually charge lower fees because they don't require extensive resources to select investments.

Active management

Active managers select investments which they believe will perform better than a market benchmark over the long term. They buy or sell investments when their market outlook alters or their investment insights change.

Our investment approach

Investment overview – diversified options

Our investment approach is designed to meet the differing needs of our members, in accordance with our responsible ownership principles. Our focus is on investing in a diversified mix of good quality assets that can grow your savings over time. We take care when choosing investments and seek to only take on risk that we believe will be adequately rewarded.

A Members First approach

Member outcomes are at the core of our investment approach and inform the investment objectives and strategy assigned to each investment option. We understand that members' needs from superannuation change over time.

We tailor the way we manage our options to meet these needs, focusing on growth in options typically used by members building their super balance.

In our products designed to be used by members in retirement, we incorporate a greater focus on risk management for the more conservative options, with the aim of reducing the impact of large market falls.

Investing in a range of assets

We have determined an appropriate split between growth and defensive assets for each diversified option that is consistent with the option's risk level and is most likely to meet the option's investment objective.

- **Growth assets** have the potential to achieve capital growth over the medium to long term. Examples include Australian equities, international equities and private equity. While in the long term these types of assets have the potential to produce higher returns, they can be more volatile (or risky) in the short term when compared with defensive assets and have a greater potential to produce negative returns in the short to medium term.
- **Defensive assets** generally provide an income stream and typically include cash, fixed income investments (bonds) and alternative debt/credit income. These investments are generally less risky than growth assets, but can at times produce a negative return.

We consider some asset classes, such as property, infrastructure, and liquid alternatives to be part growth, part defensive.

For more information on what is included in each asset class, refer to the 'Understanding the asset classes' section.

Asset Allocation

Our asset allocation approach is designed to smooth the impact of market ups and downs and aims to optimise risk and return outcomes over all timeframes. We manage our investments to take account of short-term risks, but also by having an over-arching and longer-term risk-adjusted strategy that aims to maximise your long-term savings. Our asset classes often comprise a blend of investment approaches and include liquid and illiquid investments.

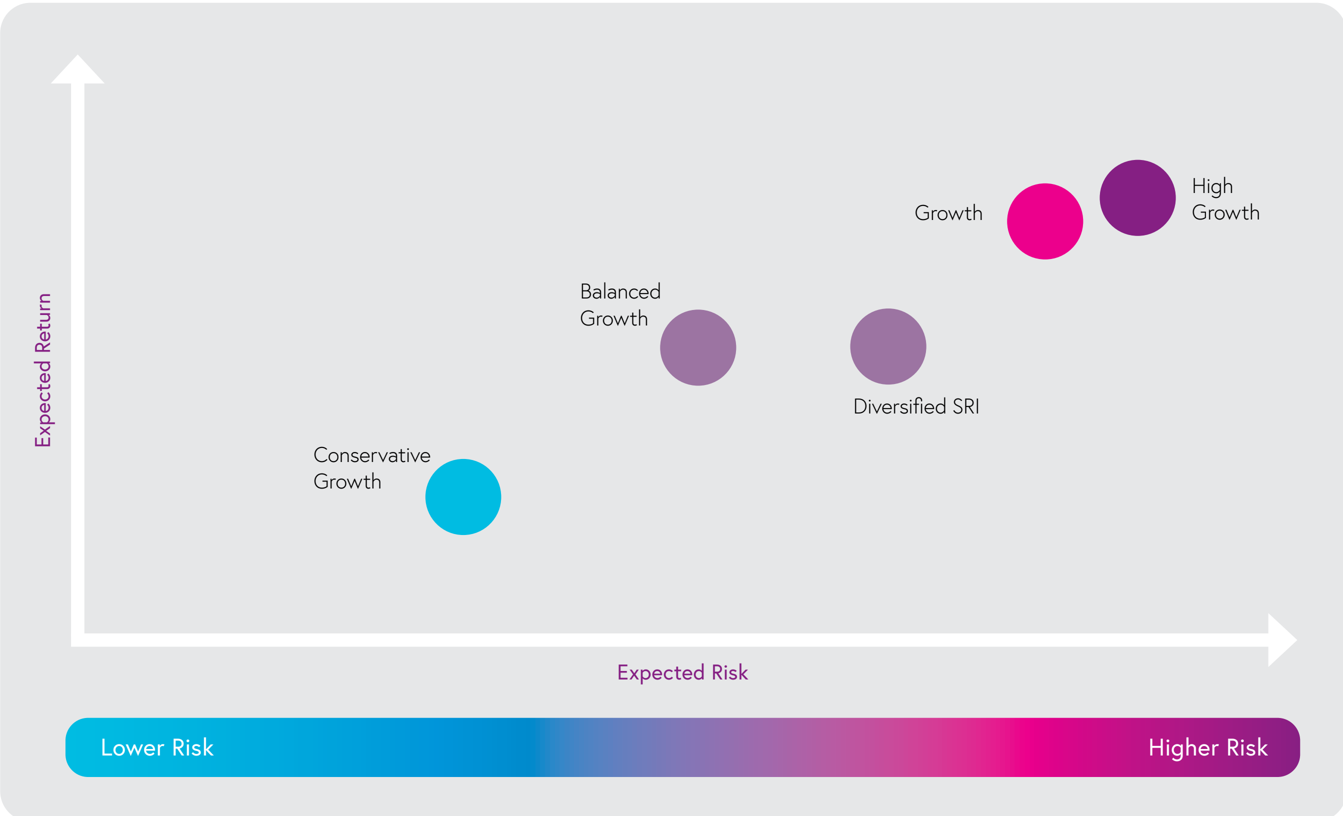
Each option has a medium to longer term target asset allocation, known as the strategic asset allocation, as well as asset allocation ranges which are the minimum and maximum amounts we can invest in each asset class. The strategic asset allocation and asset allocation ranges for each investment option, as at the date of this *Member Booklet*, are shown in the investment option tables on pages 22 to 28. Note that each of the asset classes may include small cash balances for portfolio management purposes.

Our strategic asset allocation sets our risk appetite and mix of asset classes over the long term. The actual asset allocation in place at a particular time may vary from the strategic asset allocation due to short to medium-term factors that require a change in our portfolio. We may vary our allocations from the strategic asset allocation to manage asset class risk dynamically over an investment cycle, and to take advantage of short-term opportunities.

These deviations from the strategic asset allocation are generally in place for a short to medium-term period and must be consistent with the investment objective and strategy of the option. While generally the actual asset allocation will be within the strategic asset allocation ranges, during an episode of significant market stress the actual asset allocation may move outside the ranges shown in the investment option tables.

We may vary the strategic asset allocation and asset allocation ranges for an investment option from time to time without prior notice.

The latest asset allocations can be found at **aware.com.au/investments**.



Note: The above graph provides a broad overview of the expected risk and return for the diversified investment options for comparison.

It is illustrative only and is not a forecast or guarantee of the future returns of the investment options shown. Similarly, it should not be relied on as providing an accurate indication of the level of risk associated with any one option. Each option is subject to different types of risks and can be impacted by those particular risks to varying degrees depending on the nature of the option's investments.

For more information on each investment option refer to pages 22 to 28 of this booklet.

Important information about the investment options

Investment objectives

Each investment option has a stated objective which is the desired investment outcome for the option. Investment objectives vary with the level of risk associated with the assets that make up the option. Keep in mind when reviewing the options' objectives that they are not a forecast of future returns, or a prediction of the earnings on your investment.

For each diversified option, the investment objective is to achieve investment growth above inflation (as measured by the Consumer Price Index) over rolling time periods.

By contrast, the investment objectives for the single asset class options are generally to track or outperform a relevant market benchmark or index, for example in the case of the Cash option, the Bloomberg AusBond Bank Bill Index.

On 1 October 2020 we introduced custom benchmarks for our single asset class equities options. In addition to excluding our fund-wide exclusions in relation to tobacco, thermal coal and controversial weapons, these custom benchmarks exclude, or have a reduced weighting to, the most carbon intensive companies from the respective benchmarks based on emissions and fossil fuel reserves data. This is consistent with our target to reduce the carbon exposure in our equities portfolio by at least 30% by 2023. Note that the benchmarks are dynamic and rebalanced each quarter, and the constituents can therefore change over time. For more information on our fund-wide exclusions, refer to the 'Responsible Ownership' section.

We may change the investment objective of an investment option from time to time.

Standard Risk Measures

The investment option tables on the following pages show a **risk band**, **risk label and estimated number of negative annual returns over any 20-year period** for each investment option. This is known as the Standard Risk Measure, or SRM, and is based on a methodology developed by the industry so that consumers can compare investment options within and across funds. As shown in the table below, the risk measures range from 1 (being the lowest risk) to 7 (being the highest risk). The SRM of an investment option depends on the risk profile of the asset classes and investments that make up the option.

It's important to keep in mind that the SRM is not a complete assessment of all forms of investment risk. For instance, it does not take into account the potential size of a negative return, or the potential for a positive return to be less than a member may require to meet their objectives. In addition, it does not take into account administration costs.

For more information on the methodology used to determine risk measures and the estimated number of annual negative returns, refer to our website at **aware.com.au/investmentandrisk**.

Risk band	Risk label	Estimated number of negative annual returns over any 20 year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

Foreign currency management

When investing in overseas assets such as international equities or fixed income, returns reflect both changes in the value of the underlying investments, as well as currency movements. We may hedge some of the currency exposure back to Australian dollars in order to manage risk or enhance returns.

On each investment option profile we show the target foreign currency exposure and range. These amounts refer to the proportion of assets that are subject to foreign exchange rate movements. The remainder of the investment option is either currency hedged or denominated in Australian dollars.

We may change the currency exposure over time with the intention of improving the investment option's ability to meet its performance and risk objectives.

Switching investments

You can switch the investment option for your current account balance at any time free of charge. You can switch either online (if you have registered for our online services) or by completing a *Change of income stream investment details* form. This form is available on our website or by contacting us.

If we receive a valid online or paper request from you to switch the investment option(s) for your current account balance before 4 pm (AEST/AEDT) on a business day[1], we will normally process it using the unit prices that apply for that business day when they become available. You can cancel a switch request online before 4 pm (AEST/AEDT) on the day the switch request is effective.

[1] A business day is all weekdays excluding the following public holidays: New Year's Day, Australia Day, Good Friday, Easter Monday, ANZAC Day (when it falls on a weekday), Queen's Birthday (in June), Christmas Day and Boxing Day.

Make sure that you read all of the information in this *Member Booklet (Product Disclosure Statement)* before making an investment switch decision. You should choose investment options to suit your personal objectives, financial situation and needs and you should consider seeking advice from a financial adviser before you choose or change your investment option(s).

Rebalancing your investment options

If you are invested in more than one investment option, the percentage of your account balance in each option will change over time with market movements. This could also mean that the risk profile of your account balance changes. As a result, you may wish to rebalance your account periodically to bring the percentage invested in each investment option back in line with your original selection. This involves you switching a portion of your account balance from one option to another (see 'Switching investments' on this page).

When you rebalance your account, you may be moving money from options that have performed well to options that have not performed as well. While this may seem counterintuitive, it's important to remember that it can be risky to rely too heavily on any one asset class. There is also the possibility that the asset class or investment option with the highest returns one year may not perform as well the following year.

If you invest in one of the diversified options, we regularly monitor the allocation to the different asset classes and take care of rebalancing for you.

Diversified options

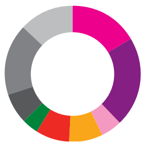
	Balanced Growth Trustee's default option	High Growth
Summary	Invests in a diversified portfolio of defensive and growth assets with a slight bias towards growth assets.	Invests in a range of Australian and overseas investments with a strong bias towards capital growth via a large allocation to growth assets such as equities and private equity.
Investment objective[1]	CPI + 3.25% p.a. over rolling 10-year periods after taking into account fees, costs and tax.	CPI + 4.50% p.a. over rolling 10-year periods after taking into account fees, costs and tax.

Growth/defensive allocation[2]

Balanced Growth	Target	Range	High Growth	Target	Range
Growth assets	57%	37% – 77%	Growth assets	88%	68% – 100%
Defensive assets	43%	23% – 63%	Defensive assets	12%	0% – 32%

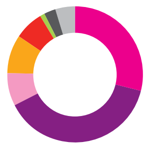
Strategic asset allocation[2]

Balanced Growth



	Target	Range
Australian equities	16.5%	6% – 27%
International equities	21.5%	11% – 32%
Private equity	5%	0% – 25%
Infrastructure & real assets	8%	0% – 28%
Property	8%	0% – 28%
Liquid alternatives (Growth)	0%	0% – 10%
Liquid alternatives (Defensive)	4%	0% – 24%
Credit income	7%	0% – 27%
Fixed income	17%	0% – 35%
Cash	13%	0% – 60%
Currency exposure[3]	14%	0% – 32%

High Growth



	Target	Range
Australian equities	29%	19% – 39%
International equities	38.5%	18% – 49%
Private equity	8%	0% – 28%
Infrastructure & real assets	9%	0% – 29%
Property	7%	0% – 27%
Liquid alternatives (Growth)	1%	0% – 21%
Liquid alternatives (Defensive)	0%	0% – 10%
Credit income	3%	0% – 23%
Fixed income	0%	0% – 10%
Cash	4.5%	0% – 15%
Currency exposure[3]	25%	0% – 49%

	Balanced Growth	High Growth
Minimum suggested investment timeframe	Medium term (5 years)	Long term (10 years)
Standard Risk Measure[4]	4 – Medium	6 – High
Estimated number of negative annual returns over any 20 year period[4]	2 to less than 3	4 to less than 6
Who might invest in this option?	This option may suit investors who can accept fluctuations in returns, including some years of negative returns, but are seeking to moderate the level of risk through a more balanced approach to the delivery of long-term returns.	This option may suit investors who can accept significant fluctuations in returns, including years of negative returns, in order to maximise their long-term returns.

[1] The investment objectives do not constitute a forecast or guarantee of future performance or the future rates of return of the investment option. Refer to page 20 for information on investment objectives.

[2] The infrastructure & real assets and property asset classes can include both defensive and growth assets. See the 'Investing in a range of assets' section for more information. Each of the asset classes may include small cash balances for portfolio management purposes. Note: we may vary the asset allocation for an investment option from time to time. Refer to our website for the latest asset allocations.

[3] These currency exposure targets and ranges refer to the proportion of assets that are subject to foreign exchange rate movements. The actual currency exposure in place at a point in time depends on market conditions and the liquidity needs of the investment option. In addition, the trustee may change the currency exposure targets or ranges from time to time. For further information, refer to the 'Foreign currency management' section on page 20.

[4] For more information on the methodology used to determine risk measures and the estimated number of annual negative returns, refer to the 'Standard Risk Measures' section or our website at **aware.com.au/investmentandrisk**.

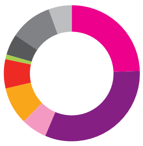
If you do not choose an investment option, your account balance will be invested in the **trustee's default option (Balanced Growth).**

Diversified options (continued)

	Growth	Diversified Socially Responsible Investment (SRI)
Summary	Invests in a diversified portfolio of defensive and growth assets with a bias towards growth assets.	Invests in a diversified portfolio of defensive and growth assets with a slight bias towards growth assets. Note that this option excludes investments in companies operating in sectors recognised for having a highly adverse environmental or social impact. For more information, refer to the 'About the Socially Responsible Investment (SRI) options' section on page 29.
Investment objective[1]	CPI + 4.25% p.a. over rolling 10-year periods after taking into account fees, costs and tax.	CPI + 3.25% p.a. over rolling 10-year periods after taking into account fees, costs and tax.
Growth/defensive allocation[2]	Target / Range Growth assets 75% 55% – 95% Defensive assets 25% 5% – 45%	Target / Range Growth assets 57% 37% – 77% Defensive assets 43% 23% – 63%

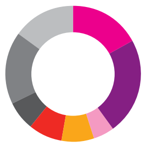
Strategic asset allocation[2]

Growth



	Target	Range
Australian equities	24.5%	14% –35%
International equities	32%	22% – 42%
Private equity	6%	0% – 26%
Infrastructure & real assets	9%	0% – 29%
Property	7%	0% – 27%
Liquid alternatives (Growth)	1%	0% – 21%
Liquid alternatives (Defensive)	0%	0% – 10%
Credit income	5%	0% – 25%
Fixed income	10%	0% – 25%
Cash	5.5%	0% – 45%
Currency exposure[3]	20%	0% – 42%

Diversified Socially Responsible Investment (SRI)



	Target	Range
Australian equities	17%	7% – 27%
International equities	23%	13% – 33%
Private equity	5%	0% – 25%
Infrastructure & real assets	8%	0% – 28%
Property	8%	0% – 28%
Liquid alternatives (Growth)	0%	0% – 10%
Liquid alternatives (Defensive)	0%	0% – 20%
Credit income	7%	0% – 27%
Fixed income	17%	0% – 35%
Cash	15%	0% – 60%
Currency exposure[3]	14%	0% – 33%

	Growth	Diversified Socially Responsible Investment (SRI)
Minimum suggested investment timeframe	Medium to long term (7 years)	Medium term (5 years)
Standard Risk Measure[4]	6 – High	5 – Medium to high
Estimated number of negative annual returns over any 20 year period[4]	4 to less than 6	3 to less than 4
Who might invest in this option?	This option may suit investors who can accept fluctuations in returns, including years of negative returns, but are seeking strong long-term returns.	This option may suit investors seeking returns from socially responsible investments that can accept some years when returns are negative, but who expect that over the long term, returns will be well above inflation.

[1] The investment objectives do not constitute a forecast or guarantee of future performance or the future rates of return of the investment option. Refer to page 20 for information on investment objectives.

[2] The infrastructure & real assets and property asset classes can include both defensive and growth assets. See the 'Investing in a range of assets' section for more information. Each of the asset classes may include small cash balances for portfolio management purposes. Note: we may vary the asset allocation for an investment option from time to time. Refer to our website for the latest asset allocations.

[3] These currency exposure targets and ranges refer to the proportion of assets that are subject to foreign exchange rate movements. The actual currency exposure in place at a point in time depends on market conditions and the liquidity needs of the investment option. In addition, the trustee may change the currency exposure targets or ranges from time to time. For further information, refer to the 'Foreign currency management' section on page 20.

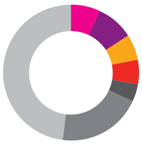
[4] For more information on the methodology used to determine risk measures and the estimated number of annual negative returns, refer to the 'Standard Risk Measures' section or our website at **aware.com.au/investmentandrisk**.

Diversified options (continued)

	Conservative Growth
Summary	A low risk option investing predominantly in income generating assets such as cash and fixed income (e.g. bond) investments.
Investment objective[1]	CPI + 1.50% p.a. over rolling ten-year periods after taking into account fees, costs and tax.
Growth/defensive allocation[2]	

	Target	Range
Growth assets	25%	5% – 45%
Defensive assets	75%	55% – 95%

Strategic asset allocation[2]



	Target	Range
Australian equities	7%	0% – 17%
International equities	9%	0% – 19%
Private equity	0%	0% – 20%
Infrastructure & real assets	6%	0% – 26%
Property	6%	0% – 26%
Liquid alternatives (Growth)	0%	0% – 10%
Liquid alternatives (Defensive)	0%	0% – 20%
Credit income	4%	0% – 24%
Fixed income	20%	0% – 45%
Cash	48%	0% – 85%
Currency exposure[3]	6%	0% – 19%

Minimum suggested investment timeframe	Short to medium term (3 years)
Standard Risk Measure[4]	3 – Low to medium
Estimated number of negative annual returns over any 20 year period[4]	1 to less than 2
Who might invest in this option?	This option may suit investors seeking fairly stable returns over the short to medium term with a low risk of capital loss. However, remember that in return for shorter term stability you may be sacrificing the potential for higher long-term returns.

[1] The investment objectives do not constitute a forecast or guarantee of future performance or the future rates of return of the investment option. Refer to page 20 for information on investment objectives.

[2] The infrastructure & real assets and property asset classes can include both defensive and growth assets. See the 'Investing in a range of assets' section for more information. Each of the asset classes may include small cash balances for portfolio management purposes. Note: we may vary the asset allocation for an investment option from time to time. Refer to our website for the latest asset allocations.

[3] The currency exposure target and range refers to the proportion of assets that are subject to foreign exchange rate movements. The actual currency exposure in place at a point in time depends on market conditions and the liquidity needs of the investment option. In addition, the trustee may change the currency exposure target or range from time to time. For further information, refer to the 'Foreign currency management' section on page 20.

[4] For more information on the methodology used to determine risk measures and the estimated number of annual negative returns, refer to the 'Standard Risk Measures' section or our website at **aware.com.au/investmentandrisk**.

Single asset class options

	Australian Equities	Australian Equities Socially Responsible Investment (SRI)
Summary	Invests in wide range of companies listed on the Australian Securities Exchange (ASX). Note that this option is passively managed by an index-replicating manager.	[1] CERTIFIED RESPONSIBLE INVESTMENT CERTIFIED BY RIAA Invests in wide range of companies listed on the Australian Securities Exchange (ASX). Note that this option excludes investments in companies operating in sectors recognised for having a highly adverse environmental or social impact. For more information, refer to the 'About the Socially Responsible Investment (SRI) options' section on page 29.
Investment objective[2]	To track the return of the Aware Super Custom Index on MSCI Australia Shares 300[3], before taking into account fees, costs and tax.	To outperform the Aware Super Custom Index on MSCI Australia Shares 300[3] over rolling 5-year periods, before tax and after taking into account fees and costs.
Strategic asset allocation	 Target / Range Australian equities: 100% / 95% – 100% Cash: 0% / 0% – 5%	 Target / Range Australian equities: 100% / 95% – 100% Cash: 0% / 0% – 5%
Minimum suggested investment timeframe	Longer term (10 years)	Longer term (10 years)
Standard Risk Measure[4]	7 – Very high	7 – Very high
Estimated number of negative annual returns over any 20 year period[4]	6 or greater	6 or greater
Who might invest in this option?	This option may suit investors wanting strong long-term returns but who are prepared to accept full exposure to the ups and downs of investing in the share market, including periods of negative returns.	This option may suit investors wanting strong long-term returns from a portfolio of socially responsible Australian shares, but who are prepared to accept full exposure to the ups and downs of investing in the share market, including periods of negative returns.

[1] The Certification Symbol signifies that a product or service offers an investment style that takes into account certain environmental, social, governance or ethical considerations. The Symbol also signifies that the Aware Super Australian Equities SRI option adheres to the strict operational and disclosure practices required under the Responsible Investment Certification Program for the category of Superfund Option.

The Certification Symbol is a Registered Trade Mark of the Responsible Investment Association Australasia (RIAA). Detailed information about RIAA, the Symbol and Aware Super's methodology and performance can be found at **responsiblereturns.com.au**, together with details about other responsible investment products certified by RIAA. The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold an Australian Financial Services Licence.

[2] The investment objectives do not constitute a forecast or guarantee of future performance or the future rates of return of the investment option. Refer to page 20 for information on investment objectives.

[3] A custom index calculated by MSCI based on the responsible ownership criteria provided by Aware Super. Refer to the 'Investment objectives' section for more information.

[4] For more information on the methodology used to determine risk measures and the estimated number of annual negative returns, refer to the 'Standard Risk Measures' section or our website at **aware.com.au/investmentandrisk**.

Single asset class options (continued)

	Property (up to 30 December 2022)	Property (from 31 December 2022)
Summary	Invests in a combination of global listed property securities and unlisted property investments. Note that the listed portion of the option may be implemented via investments in listed Real Estate Investment Trusts (REITs) or through the use of derivatives. In addition, international investments will generally be fully hedged, meaning they are protected against the impact of currency fluctuations on investment returns.	Invests in a passively managed portfolio of global listed property securities. Note that this option is fully invested in listed property, which may be implemented via investments in listed Real Estate Investment Trusts (REITs) or through the use of derivatives. In addition, international investments will generally be fully hedged, meaning they are protected against the impact of currency fluctuations on investment returns.
Investment objective[1]	To outperform a weighted index – namely 65% to the FTSE EPRA/NAREIT Developed Rental Index Net Dividends Reinvested (100% hedged) in Australian dollars and 35% to CPI + 5% p.a. – over rolling 5-year periods, before tax and after taking into account fees and costs.	To track the return of the FTSE EPRA/NAREIT Developed Rental Index Net Dividends Reinvested (100% hedged) in Australian dollars, before taking into account fees, costs and tax.

Strategic asset allocation[2]

Property (up to 30 December 2022)

	Target	Range
Listed property	65%	0% – 100%
Unlisted property	35%	0% – 100%
Cash	0%	0% – 5%
Currency exposure[3]	0%	0% – 5%

Property (from 31 December 2022)

	Target	Range
Listed property	100%	50% – 100%
Unlisted property	0%	0% – 50%
Cash	0%	0% – 5%
Currency exposure[3]	0%	0% – 5%

	Property (up to 30 December 2022)	Property (from 31 December 2022)
Minimum suggested investment timeframe	Medium to long term (7 years)	Long term (10 years)
Standard Risk Measure[4]	6 – High	7 – Very high
Estimated number of negative annual returns over any 20 year period[4]	4 to less than 6	6 or greater
Who might invest in this option?	This option may suit investors seeking strong returns over the medium to long term from property investments, but that are willing to accept fluctuations in returns and the possibility of negative returns over the short term.[5]	This option may suit investors seeking strong returns over the long term from property investments, but that are willing to accept fluctuations in returns and the possibility of negative returns over the short term.[5]

[1] The investment objectives do not constitute a forecast or guarantee of future performance or the future rates of return of the investment option. Refer to page 20 for information on investment objectives.

[2] We may vary the asset allocation for an investment option from time to time. Refer to our website for the latest asset allocations.

[3] The currency exposure target refers to the target proportion of assets that are subject to foreign exchange rate movements. The actual currency exposure in place at a point in time may be different due to market conditions and the liquidity needs of the investment option. In addition, the trustee may change the currency exposure target from time to time. For further information, refer to the 'Foreign currency management' section on page 20.

[4] For more information on the methodology used to determine risk measures and the estimated number of annual negative returns, refer to the 'Standard Risk Measures' section or our website at **aware.com.au/investmentandrisk**.

[5] Refer to the explanation of Property in our 'Understanding the asset classes' section and note that listed property exposures reflect security prices on listed markets.

Single asset class options (continued)

	International Equities	Australian Fixed Interest
Summary	Invests in a passively managed portfolio of companies listed on global stock exchanges in developed markets. Note that this option is unhedged, and as such, will fluctuate both as a result of changes in the value of the underlying shares and currency movements.	Invests in a passively managed portfolio of predominantly Australian fixed income investments such as government and corporate bonds. Note that any international fixed income investments will generally be fully hedged, meaning they are protected against the impact of currency fluctuations on investment returns.
Investment objective[1]	To track the return of the Aware Super Custom Index on MSCI World ex-Australia[2] (unhedged) in Australian dollars, before taking into account fees, costs and tax.	To track the return of the Bloomberg AusBond Composite 0+ Yr Index, before taking into account fees, costs and tax.
Strategic asset allocation[3]		

International Equities

	Target	Range
International equities	100%	95% – 100%
Cash	0%	0% – 5%
Currency exposure[4]	100%	95% – 100%

Australian Fixed Interest

	Target	Range
Australian fixed income	100%	80% – 100%
International fixed income	0%	0% – 20%
Cash	0%	0% – 5%
Currency exposure[4]	0%	0% – 5%

	International Equities	Australian Fixed Interest
Minimum suggested investment timeframe	Long term (10 years)	Medium term (5 years)
Standard Risk Measure[5]	7 – Very high	6 – High[6]
Estimated number of negative annual returns over any 20 year period[5]	6 or greater	4 to less than 6
Who might invest in this option?	This option may suit investors wanting strong long-term returns but who are prepared to accept full exposure to the ups and downs of investing in the share market and the impact of currency movements, including periods of negative returns.	This option may suit investors who seek returns from a portfolio of Australian bonds, and are willing to accept fluctuations in returns and the possibility of negative returns over the shorter term. To learn more about bonds refer to the 'Understanding the asset classes' section on page 31.

[1] The investment objectives do not constitute a forecast or guarantee of future performance or the future rates of return of the investment option. Refer to page 20 for more information on investment objectives.

[2] A custom index calculated by MSCI based on the responsible ownership criteria provided by Aware Super. Refer to the 'Investment objectives' section for more information.

[3] We may vary the asset allocation for an investment option from time to time. Refer to our website for the latest asset allocations.

[4] The currency exposure targets and ranges refer to the proportion of assets that are subject to foreign exchange rate movements. The actual currency exposure in place at a point in time may be different due to market conditions and the liquidity needs of the investment option. In addition, the trustee may change the currency exposure target or range from time to time. For further information, refer to the 'Foreign currency management' section on page 20.

[5] For more information on the methodology used to determine risk measures and the estimated number of annual negative returns, refer to the 'Standard Risk Measures' section or our website at **aware.com.au/investmentandrisk**.

[6] Despite the Australian Fixed Interest investment option being assessed as having a Standard Risk Measure of '6 - High', when we look at the characteristics of the underlying investments (mostly bonds) and their expected risks more holistically, the asset class of fixed income and in turn the option are still considered to have a defensive asset profile.

Single asset class options (continued)

	International Fixed Interest	Cash
Summary	Invests in a passively managed portfolio of international fixed income investments such as government and corporate bonds. Note that the investments of this option are fully hedged, meaning they are protected against the impact of currency fluctuations on investment returns.	Primarily invests in term deposits and other short-term debt securities with a maturity of less than one year. Note that this option is not guaranteed by the Australian Government or the trustee.
Investment objective[1]	To track the return of the Bloomberg Barclays Global Aggregate Float-Adjusted ex-CNY Index (100% hedged) in Australian dollars before taking into account fees, costs and tax.	To meet or exceed the return of the Bloomberg AusBond Bank Bill Index, over rolling 12-month periods, before taking into account fees, costs and tax.
Strategic asset allocation	 Target / Range International fixed income: 100% / 95% – 100% Cash: 0% / 0% – 5% Currency exposure[2]: 0% / 0% – 5%	 Target Cash: 100%
Minimum suggested investment timeframe	Medium term (5 years)	Short term (up to 2 years)
Standard Risk Measure[3]	6 – High[4]	1 – Very low
Estimated number of negative annual returns over any 20 year period[3]	4 to less than 6	Less than 0.5
Who might invest in this option?	This option may suit investors who seek returns from a diversified portfolio of global bonds, and are willing to accept fluctuations in returns and the possibility of negative returns over the shorter term. To learn more about bonds refer to the 'Understanding the asset classes' section on page 31.	This option may suit investors who seek a very low risk short-term investment with very stable but low expected returns. You should be aware that, depending on prevailing interest rates, the return you receive may not keep pace with inflation, and during periods of very low interest rates there is the possibility for negative returns once all fees are taken into account. This may mean there is little or no short-term real growth.

[1] The investment objectives do not constitute a forecast or guarantee of future performance or the future rates of return of the investment option. Refer to page 20 for information on investment objectives.

[2] The currency exposure targets and ranges refer to the proportion of assets that are subject to foreign exchange rate movements. The actual currency exposure in place at a point in time may be different due to market conditions and the liquidity needs of the investment option. In addition, the trustee may change the currency exposure target or range from time to time. For further information, refer to the 'Foreign currency management' section on page 20.

[3] For more information on the methodology used to determine risk measures and the estimated number of annual negative returns, refer to the 'Standard Risk Measures' section or our website at **aware.com.au/investmentandrisk**.

[4] Despite the International Fixed Interest investment option being assessed as having a Standard Risk Measure of '6 - High', when we look at the characteristics of the underlying investments (mostly bonds) and their expected risks more holistically, the asset class of fixed income and in turn the option are still considered to have a defensive asset profile.

About the Socially Responsible Investment (SRI) options

We offer the below socially responsible investment (SRI) options for members who want greater certainty about the environmental and social impact of their investments:

- Australian Equities Socially Responsible Investment (SRI)
- Diversified Socially Responsible Investment (SRI)

The fund's four pillar approach to integrating environmental, social and governance (ESG) considerations into our investment activities applies to all of our investment options, including the SRI options[1]. However, because the SRI options are designed for members wanting to avoid particular industries and companies that don't align with their values, the investments for these options are selected and managed according to additional and more specific restrictions and exclusions (i.e. 'screens').

A key feature of these options is that they exclude investments considered to have a highly adverse environmental or social impact via the application of our screening criteria.

Screening criteria

The screening criteria applied to the SRI options as at the date of this *Member Booklet*[2] is set out below and applies to all asset classes, albeit with some differences for the private equity asset class. Investments in companies and other entities involved in the activities described that meet the applicable threshold are excluded from these options. However, note that the screening criteria does not apply to the use of derivatives which may have an indirect exposure to these types of investments. Additionally, up to 5% of the private equity asset class may be invested in companies and other entities not meeting the screening criteria.

Climate change screens

Screen	Description	Threshold
Coal[3]	Thermal, energy and metallurgical coal mining, extraction, production, refining and processing.	5% or more of revenue
Coal fired power generation	Thermal coal power generation.	5% or more of revenue
Oil and gas (conventional/ unconventional)	Oil and gas exploration, production, refining and marketing – includes conventional oil, unconventional oil (including oil sands, tar sands, shale oil), as well as conventional and unconventional gas (including Coal Seam Gas and shale gas). Oil and gas power generation for commercial purposes.	5% or more of revenue
Fossil fuel transportation	Includes fossil fuel (coal, oil and gas) storage & transportation including pipelines, storage tanks, freight, rail and ports.	5% or more of revenue
Fossil fuel supply chain and services	Directly owning and/or supplying fossil fuel (coal, oil and gas) mining equipment, oil and gas equipment and services. Companies that provide services to the fossil fuel industry whose purpose is to support the transition to the low carbon economy are not included as part of this criteria.	5% or more of revenue
Fossil fuel reserves	Companies that hold fossil fuel reserves (whether proven or probable) with the intention of exploration and/or development of those reserves for revenue generation (rather than for own use)	No threshold (i.e. any company holding reserves for the purpose described)

Ethical screens

Screen	Description	Threshold
Tobacco, nicotine alternatives[4] and tobacco-based products	Production/manufacture of tobacco, nicotine alternatives and tobacco-based products.	No threshold (i.e. companies generating any revenue from the manufacture and/or production of tobacco products, nicotine alternatives and tobacco-based products)
Gambling	Production, distribution or provision of services in relation to gambling	5% or more of revenue
Alcohol	Production of alcohol	5% or more of revenue
Pornography	Production and/or distribution of pornography	5% or more of revenue
Uranium	Uranium mining	5% or more of revenue
Nuclear power	Nuclear power production and/or generation	5% or more of revenue
Civilian firearms	Production and/or distribution of civilian firearms and related services	5% or more of revenue
Live animal exports	Owning and/or operating live animal export operations	No threshold (i.e. companies generating any revenue from live animal exports)

[1] See the 'Responsible Ownership' section for more information on our approach and examples of the ESG factors we consider.

[2] The screening criteria is periodically reviewed by our Responsible Investment team and may be updated from time to time.

[3] There is a fund wide exclusion for companies generating 10% or more of their revenues directly from mining thermal or energy coal. However, a lower threshold of 5% is applied to the SRI options and the exclusion is extended to other forms of coal, such as metallurgical coal. The SRI screen also incorporates extraction, production, refining, processing and mining, and extends beyond direct investments.

[4] Nicotine alternatives and tobacco-based products include: (i) electronic nicotine delivery systems as defined by the US Food and Drug Administration (e.g. 'vaping' devices, e-cigarettes) alternatively described as nicotine vaping products; (ii) dissolvable and non-combustible tobacco products (e.g. nicotine pouches, snuff); and (iii) shisha and water pipes.

Conventions and controversies-based screens

Screen	Description	Threshold
Controversial weapons	Companies that derive any revenue from the manufacture and/or production of controversial weapons, including chemical weapons, cluster munitions, land mines, depleted uranium and companies involved in the development, production and maintenance of nuclear weapons.	Any involvement
Corporate controversies	Companies consistently involved in very severe incidents/corporate controversies, or that are believed to be at high risk of being involved in serious incidents in the future (see examples below).	Any involvement

Exclusion of an investment as a result of the Corporate controversies screen will be based on an assessment by the Aware Super Responsible Investment team. Where available, relevant screens/scores provided by external ESG data providers will be considered as part of the assessment. Importantly, companies will be assessed not just against minimum allowable legal standards but also against perceived best practice.

Examples of negative corporate behaviours that may result in a company being excluded from the SRI options are provided below.

- Environmental, ecological and biodiversity wrongdoings: including companies complicit in excessive or unauthorised emissions of CO_2 and other greenhouse gases, companies contributing to worsening water quality and companies with inadequate waste management practices.
- Bribery and corruption: including both authenticated allegations and convicted violations.
- A lack of commitment to engagement and cultural sensitivity to indigenous people and local communities.
- Violation of human rights: including companies not adhering to the UN Guiding Principles for Business and Human Rights, for example by engaging in child labour, or otherwise not upholding international labour standards.
- Corporate governance failings: including companies that fail to undertake adequate investigations and implement preventative measures in relation to identified corporate governance issues.
- Serious health and safety failings: including companies that fail to undertake adequate investigations and implement preventative measures in relation to identified health and safety issues.

Discretionary exclusions

A company may be identified as being unsuitable for the SRI options for factors outside the formal criteria above at the discretion of the Aware Super Responsible Investment team. In such cases, the company will be assessed and considered for divestment from the SRI options. Engagement with the relevant company to discuss the specific concerns may be sought, although is not a requirement. In order for an excluded company to be re-included in the portfolio at a later date, it must demonstrate substantive improvements in relation to the issues of concern. A plan for improvement only is not sufficient to warrant reinvestment.

Ongoing monitoring

The SRI options' investments are periodically reviewed to ensure they meet the criteria for inclusion. For listed assets, a quarterly review of the holdings against the screening criteria is undertaken. For unlisted assets, a detailed assessment is undertaken prior to the initial investment, and at least once a year thereafter, to ensure the screening criteria continues to be met.

If an investment is identified as not meeting the criteria, it will be sold or removed from the option(s) as soon as reasonably practicable, subject to liquidity constraints.

Note that implementation of the screening criteria may be affected by the accessibility and accuracy of data, or an error by an external service provider. This may result in inadvertent holdings, typically over the short term, in investments we are seeking to exclude.

Management of the SRI options

We have appointed a number of specialist external investment managers to manage a portion of the equities and fixed income asset classes for the SRI options. These managers have their own socially responsible investment guidelines outlining what in their view constitutes labour standards and environmental, social and ethical considerations, and a methodology for taking these standards and considerations into account when selecting, retaining and selling investments, although must adhere to the screening criteria outlined above. In addition, these specialist managers are required to have a robust ESG scoring framework in place that seeks to ensure their portfolios are overweight companies with better ESG practices.

For all other investments and asset classes in the Diversified SRI option, we leverage the investment managers (both internal and external) responsible for managing these investments for the whole fund. However, investments assessed as not meeting the SRI screening criteria are excluded from this option.

A list of the investment managers used to manage the socially responsible investment options across the various asset classes is available at **aware.com.au/whomanagesyoursuper**.

We have absolute discretion to change the underlying investment managers and the SRI considerations that are taken into account in the investment process. In addition, we may divest from sectors, industries or investments without prior notice, in line with our Responsible Investment Policy, as updated from time to time.

Understanding the asset classes

Cash

Our cash investments include (i) short-term interest-bearing investments and (ii) short-to-medium term interest-bearing investments whose returns are predominantly floating rate in nature.

(i) Short-term interest-bearing investments are regarded as *traditional cash* and include bank bills, bank deposits, and treasury notes. These are liquid, high quality, and relatively stable investments. Traditional cash is typically the least risky of all asset classes and may suit investors who want to access their money in the short to-medium term. As a result, expected returns are also lower and the buying power of your money may also be reduced as it may not keep up with inflation. Traditional cash can experience periods of negative returns, such as when interest rates are low or negative.

(ii) Short-to-medium term interest-bearing investments whose returns are predominantly floating in nature are held in our *conservative income portfolio*. This portfolio accesses the full spectrum of cash which includes high quality, floating rate investments such as bank debt, corporate debt, and asset-backed securities. These investments have the potential to add returns above that of a traditional cash portfolio, but also may have modestly higher risk. This may result in periods of negative returns.

The returns on cash will fluctuate due to a number of factors, but primarily with the level of cash interest rates, and changes in interest rates on money market investments.

Note: The single sector Cash option only invests in traditional cash. The diversified investment options invest in traditional cash but may also invest in a conservative income portfolio.

Fixed income (bonds)

A fixed income investment is a loan to a government, semi-government authority or large corporation in exchange for regular interest payments, plus repayment of the principal amount at maturity.

Interest is paid to investors over the life of the investment, usually at a fixed rate. However, for some bonds, the interest payments and/or principal are adjusted for the rate of inflation. These are known as 'inflation-linked bonds' and they are designed to help protect investors from inflation.

While fixed income investments such as bonds are usually less volatile than many other investments like shares, they may also have a lower expected return over the long term.

It is also important to note that fixed income investments are not without risk and do not provide a fixed rate of return like a term deposit. The fact that bonds are traded in a marketplace with buyers and sellers means they are exposed to price movements, and the possibility exists for low or negative returns from time to time.

Bond values are driven by prevailing interest rates and expected interest rate movements. In general, when interest rates rise, the market value of bonds tends to fall, and when interest rates fall, bond values tend to rise. This can have a significant impact on performance.

Our international fixed income investments will typically be 100% hedged, which means they are protected against the impact of currency fluctuations on investment returns.

Equities (shares)

Equities (shares) are a portion or share of a company that can be bought or sold on an exchange. Equities allow investors to access both large and small listed companies across a range of industries in Australia and overseas (both developed and emerging markets).

The return investors receive from investing in equities includes income in the form of dividend payments, as well as capital gains (and losses) from changes in the value of the underlying shares, and for international equities, currency movements.

Long-term returns from equity investments tend to be higher than those achieved from property, fixed income and cash investments. But in the short term, their performance is more volatile and returns can be negative, making them a higher risk investment.

Various factors like consumer sentiment, commodity prices and company performance can all have an impact on a company's share price.

Note that our Australian and international equities asset classes can also include a small exposure to unlisted companies which are less liquid than listed companies.

Credit income

Credit income covers a range of alternative debt investments. Like fixed income, credit income investments involve a loan to a borrower in exchange for regular interest payments, plus repayment of the principal amount at maturity. However, compared to traditional fixed income investments, the loans are typically to borrowers with a lower credit rating, and as a result, may command a higher rate of return to compensate the investor for the risk of default.

Credit income investments include loans to a range of companies in Australia and globally across a variety of industries including infrastructure, real estate and various corporate sectors.

Property

Property investments include office buildings, shopping centres and industrial estates, residential property such as apartment buildings and retirement villages, and property businesses. Investors can access property investments either directly or indirectly by purchasing units in a property trust (unlisted or listed) and the property investments may be in Australia or global.

Direct and unlisted property investment returns reflect a combination of rental income and capital growth, and are dependent on a range of economic factors such as interest rates and employment, as well as the location and quality of properties.

Listed property investments (often known as Real Estate Investment Trusts or REITs) are investments in their own right and like shares, their returns also reflect general market sentiment. Returns from listed property securities are therefore different (and more volatile) than the returns earned from owning direct or unlisted property investments.

Property investments are subject to a moderate to high degree of risk and are typically most suitable for long-term investors seeking high growth over the medium to long term, who are willing to accept fluctuations in returns and the possibility of negative returns over the short term.

Infrastructure and real assets

Infrastructure and real assets are the utilities and facilities that provide essential services to communities, and the entities that own or operate these utilities and facilities. Examples include utilities (electricity, gas, water and communications), power (including renewables), transport (airports, seaports, toll roads and rail), social infrastructure assets (hospitals, education facilities, community infrastructure such as a convention centre) and agriculture (including land and water assets, as well as timber assets) and the entities that own or operate such assets.

We may also invest in new infrastructure sub-sectors which exhibit similar features to traditional infrastructure investments, for example land title registries, and infrastructure businesses that own and operate infrastructure assets.

Infrastructure investments can be accessed either directly or indirectly by acquiring an interest in an unlisted or listed infrastructure investment or business.

Because they often require substantial upfront investment, unlisted infrastructure investments typically have high barriers to entry, but generally offer investors a steady income stream, potential for capital growth over the long term, and lower volatility than other growth assets such as equities. However, there are risks. For example, changes to government regulations, usage rates, and interest rates may affect their value.

By contrast, listed infrastructure investments are investments in their own right and like shares, their returns also reflect general market sentiment. Returns from listed infrastructure securities are therefore different (and more volatile) than the returns from owning direct or unlisted infrastructure investments.

Private equity

Private equity includes investments in Australian and overseas companies that are not listed on a stock exchange. Such companies can include large established companies needing investment and expertise to support future growth plans, as well as smaller, rapidly growing businesses.

The private equity market is less efficient and less regulated than listed equity markets. This creates opportunities for skilled managers to add value. However, private equity investments are typically illiquid and high risk, and so are typically best suited to investors with a medium to long-term horizon.

Liquid alternatives

Liquid alternatives include a range of non-traditional strategies such as real return strategies and hedge funds. Unlike traditional fund managers which are often restricted to investing in a single asset class (e.g. Australian equities), these managers have a wider range of allowable investments and are able to utilise a combination of equities, bonds, currencies, commodities and other liquid asset classes. They can make investments in these asset classes via physical exposures or, more typical, via derivatives (see page 47 for additional details on the fund's use of derivatives).

The managers we partner with to manage this asset class are selected for their potential to provide strong diversification, or to deliver returns above CPI (or an official cash rate) by dynamically moving around their exposure to different asset classes.

We differentiate between growth-oriented and more defensively-oriented liquid alternatives strategies. The growth-oriented strategies are focused on generating strong capital growth but can also carry a high level of risk. By contrast, the defensively-oriented strategies aim to reduce total portfolio risk by providing positive returns when equity markets experience large negative returns.

Risks of investing

The risk/return trade off

All investments involve a level of risk, and to grow your account over the long term, you need to take some risk. The key short-term risk is market volatility and the impact this can have on your account balance. The two main risks over the long term are that your savings are not enough to last your whole retirement, or don't keep up with the rising cost of living over time.

In general, investments that are volatile over short periods of time, such as Australian and international shares, grow more over longer periods. By contrast, investments like cash and fixed income tend to produce more stable returns, but may not generate the returns you need to reach your retirement goals. This is often called the risk/return trade off and is a key thing to keep in mind when choosing an investment option.

If you are unsure about the level of risk appropriate to your needs and circumstances, you should seek financial advice.

Investment risks

Some of the most significant investment risks which can have an impact on your account include:

- **Inflation risk** – while your investment may produce a positive return, there is a risk that your savings do not keep up with the rising cost of living over time (inflation). One way you can help manage this risk is by investing in assets that are expected to generate returns in excess of inflation over the medium to long term. Each of our diversified options have been designed to generate returns above inflation as measured by the Consumer Price Index (CPI).
- **Sequencing risk** – sequencing risk refers to the risk of poor investment returns at the wrong time, for example just before or at the start of retirement when your account balance is at its greatest. At this time the timing and order of returns can be nearly as important as the size of those returns, making sequencing risk an important determinant of retirement outcomes. With this in mind, we have selected the Balanced Growth option as the trustee's default option, as this option balances the need for strong long-term returns while helping guard against large market falls. We recommend that you review your investment mix from time to time to ensure it continues to be appropriate for your circumstances.
- **Market risk** – market risk is the risk of loss due to the factors that affect an entire asset class or market such as the Australian share market. This includes economic conditions, government policy and investor sentiment. Maintaining a well-diversified portfolio across a range of asset classes can reduce, but not eliminate, the impact of market risk.
- **Security/asset risk** – individual investments such as shares, bonds and property assets are affected by risks specific to the investment. For example, the value of a company's shares may be impacted by a change in strategy, operations, or business environment, as well as merger and acquisition activity.

Other investment risks to consider include:

- **Timing risk** – there is a risk that, at the date of investment, your money is invested at higher market prices than those available shortly afterwards. Similarly, there is risk that, at the date you withdraw funds your investments are sold at lower prices than those that were recently available or would have been available shortly afterwards. Timing risk can also relate to trying to predict future prices in making investment decisions, for example when switching investment options.
- **Illiquidity risk** – the risk that an investment cannot be easily sold (converted to cash) without a substantial loss in value due to difficult or abnormal market conditions. This risk is greatest for investments that are inherently illiquid such as real property and infrastructure assets, as well as unlisted equity interests. We mitigate this risk through limiting investment in illiquid investments and regular monitoring of liquidity.
- **Interest rate risk** – changes in interest rates can have a negative effect on an investment's value or returns. For example, the cost of a company's borrowings can increase, reducing its profitability, or the income from a cash or fixed income investment may be lower than expected.
- **Investment manager risk** – although we carefully research and monitor the investment managers we partner with, there is a risk that a particular manager will underperform compared to similar managers or their return objective. This could be because their view on markets is inaccurate, they lose key investment personnel, or because the environment is not favourable for their investment style.

- **Currency risk** – the value of our offshore investments may decrease because the currencies of the countries in which we invest decrease in value relative to the Australian dollar. We mitigate this risk by managing the currency exposure as described in the 'Foreign currency management' section on page 20.
- **Financial risk due to climate change** – climate change and environmental issues pose both risks and opportunities for the long-term performance of our members' investments. We work with our external fund managers, and with the listed companies in which we invest, to address these impacts. Refer to the 'Climate change' section on page 16 for more information on what we are doing to mitigate this risk.
- **Counterparty risk** – there is a risk of loss where the counterparty to a contract cannot meet its payment obligations. For example, in the case of a fixed income security such as a bond, this includes the risk that the issuer doesn't pay back the money borrowed when it is due. This risk is mitigated by appointing investment managers with appropriate credit assessment skills and by imposing limits on individual counterparties.
- **Derivative risk** – investing in derivatives can involve additional risks. These include the possibility that the derivative does not perform as expected or that parties do not perform their obligations under the contract. As using derivatives may involve leverage, losses can be significant. We mitigate this risk by having limitations and controls in place and monitoring the use of derivatives. See page 47 for additional information on the fund's use of derivatives.
- **Short selling risk** – short selling may be used when an investment manager believes an asset's price will fall. The manager borrows the asset from a lender, usually a broker, and sells it with the intention of buying it back at a lower price. If the price of the asset increases, the loss could be significant. This is different to investing directly in a security without borrowing where losses are generally limited to the value of the investment made. We mitigate this risk by restricting and monitoring the use of short selling by the managers we partner with.
- **Gearing risk** – gearing can be achieved by using loans (borrowing to invest), or investing in certain derivatives such as futures. Gearing amplifies the potential gains and losses of an investment which means fluctuations in the value of a geared investment will be larger compared to the same investment which is not geared. We mitigate this risk by limiting and regularly monitoring the amount of gearing in the investment options.

The importance of diversification to manage investment risk

Generally speaking, you can reduce the risk of your investment by spreading your money across a range of asset classes. This is called diversification. Diversification can reduce investment risk because asset classes tend to perform differently at different times in the economic cycle. By spreading your money across a range of asset classes, you also spread the risk of loss should a particular asset class or investment perform poorly.

You can diversify your investment by either investing in the diversified investment options, which have a mixed portfolio of assets, or by investing in a variety of single asset class options. However, you should keep in mind that by investing in the single asset class investment options, your super may not be as well diversified compared to our diversified options. This is because not all asset classes are available as single asset class options (e.g. infrastructure or private equity).

Before choosing an investment option(s), you should assess your risk/return profile and the level of diversification you require. If you are unsure about the level of risk appropriate to your needs and circumstances, you can seek advice from a financial planner.

In order to minimise investment risk, it's important to diversify your investments.

You should seek financial advice if you are unsure about which investment option is best for you.

Tax and your retirement income stream

The tax treatment of retirement income streams can be complex. We recommend that you obtain taxation advice from your adviser or accountant for your personal circumstances. This section provides only a general description of the tax treatment of your retirement income stream and was current at the date of preparation.

Tax when setting up your retirement income stream

There is a general transfer balance cap of $1.7 million[1], which is a lifetime limit on the total amount of superannuation that can be transferred into retirement phase income streams.

From 1 July 2021, all individuals have a personal transfer balance cap between $1.6 million and $1.7 million. Individuals who start their first retirement phase income stream on or after 1 July 2021 will have a personal transfer balance cap of $1.7 million.

It's important to note that everyone will have their own personal transfer balance cap. You will need to visit **ato.gov.au** to find out what cap applies to you. If you start (or hold) a retirement income stream that exceeds your personal transfer balance cap, you will not only pay additional tax, but will have to withdraw the excess amount from your retirement income stream.

This cap applies to all retirement phase income stream accounts you may have, except Transition to Retirement income streams.

Provided you start your retirement income stream with an amount that does not exceed your personal transfer balance cap there is generally no tax payable when setting up your retirement income stream if you transfer money from one Australian superannuation fund or account to another. However, if the amount transferred to your super account to start a retirement income stream comes from a superannuation fund which has not been subject to tax (usually government retirement schemes), then the untaxed element of the taxable component up to $1.65 million[2] of that amount will be taxed at 15% on entry to the fund. For amounts over $1.65 million[2], the paying fund will deduct PAYG tax at the highest marginal rate (plus Medicare levy) before sending the money.

If the amount used to start a retirement income stream (with us or other super funds) results in your personal transfer balance cap being exceeded, we may be directed by the ATO to commute your retirement income stream by the excess amount, including an amount for interest. You may pay additional tax on the notional earnings calculated by the ATO. The tax rate is 15% for your first breach and may increase to 30% for subsequent breaches.

If you start your retirement income stream and your total balance increases above your personal transfer balance cap solely due to investment earnings, you do not need to withdraw the excess.

[1] This amount is current as at 1 July 2022 and is subject to indexation in line with the consumer price index, in increments of $100,000 each 1 July when the accumulated indexation reaches this amount.

[2] This amount is current as at 1 July 2022 and is subject to indexation in line with Average Weekly Ordinary Time Earnings (AWOTE), in increments of $5,000 (rounded down) each 1 July when the accumulated indexation reaches this amount.

If we are directed by the ATO to commute any part of your retirement income stream, we will contact you and seek your instruction. However, if we are unable to make contact with you or you do not provide us with adequate instructions within the required timeframe, we will still be required to commute your retirement income stream, as instructed by the ATO. If you have an existing super account with us, we will add the amount to this account (or the account that was most recently opened if you have more than one super account). If you don't hold a super account with us, we will open a personal member account for you and deposit the amount into the fund's MySuper option. Any death benefit nomination for your retirement income stream account will not apply to your super account following the transfer. You can make or change a death benefit nomination for your existing or new super account at any time. You will not automatically be provided with insurance cover in the fund as a result of the above arrangements. However, you may apply for insurance cover.

If you are receiving your retirement income stream as a reversionary beneficiary we will not be able to transfer the amount back to a super account and you must be paid the excess amount as a lump sum payment.

In determining whether to nominate a reversionary beneficiary, remember that the income stream amount that your spouse receives will count towards their personal transfer balance cap.

Tax on investment returns

Any earnings on your retirement income stream account are tax free while they remain in your account, regardless of your age. This is one of the main advantages that a retirement income stream has over non-income stream superannuation accounts and investments outside super.

Tax position if you're over 60

If you are aged 60 or over, no tax is generally payable on your income payments or lump sum withdrawals – irrespective of whether or not you have provided your tax file number (TFN) (however, the payments may affect your social security benefits).

Tax position if you're under 60

If you are under age 60, your payments may have a tax-free component and a taxable component. Tax is payable on the taxable component only. The tax treatment of the payment depends on whether it is paid as an income payment, irregular payment or lump sum. For more information, refer to 'Tax file number declaration' below and 'What is the tax free portion' on page 37.

Tax file number declaration

If you are under age 60, you may wish to complete a *Tax file number declaration* form that allows us to determine the amount of PAYG tax that is to be deducted from your income payments. For convenience, we have incorporated the requirements of the form in the *Retirement income stream member application* form. Alternatively, you can obtain a copy of the form from the ATO.

The completed form should be returned to **Aware Super, PO Box 1229, Wollongong NSW 2500**.

It is not compulsory to supply your TFN, but if you don't and you're under age 60, PAYG tax will generally be deducted from your payments at the highest marginal tax rate (plus Medicare levy).

The importance of providing your tax file number

Under the Superannuation Industry (Supervision) Act 1993, the trustee is authorised to collect, use and disclose your TFN for the purpose of administering your superannuation and/or income stream.

We may disclose your TFN to another superannuation provider when your benefits are being transferred, unless you ask us in writing not to disclose your TFN to any other superannuation provider.

Declining to quote your TFN is not an offence. However, if you provide your TFN, it will have the following advantages:

- The fund will be able to accept all permitted types of contributions to your superannuation account.
- Other than the tax that may ordinarily apply, you will not pay more tax than you need to. This affects both contributions[1] to your superannuation account and income payments when you start drawing down your income stream.
- It will make it much easier to find different superannuation accounts in your name, and match your accounts in the fund, so that you receive all of your superannuation benefits when you retire.

[1] Once you have set up your retirement income stream account, you cannot make further contributions to that account. However, you may be able to make contributions to a super account – see page 7 for details.

What is the tax-free portion?

The tax-free portion is calculated when your retirement income stream account is initially set up. The tax-free portion is the tax-free amount used to start your retirement income stream as a percentage of the total amount used to start your retirement income stream. For example, if your initial tax-free amount is $50,000 and your total amount is $200,000, then the tax-free percentage of every payment would be 25% (i.e. $50,000/$200,000 as a percentage).

Once your tax-free portion is determined, this percentage will apply to every payment from your account (whether an income payment or a lump sum payment) so that the tax-free portion is a fixed percentage for the life of the account.

Calculating the tax-free amount

The tax-free component is made up of a 'contributions' segment and a 'crystallised' segment.

Contributions segment	Generally, the 'contributions' segment is made up of contributions made from 1 July 2007, which have not been subject to tax in a superannuation fund. Typically, this would comprise your non-concessional (e.g. after-tax) contributions and any government co-contribution.
Crystallised segment	The 'crystallised segment' is made up of concessionally-taxed components that existed before the taxation reforms of 1 July 2007. Generally, this amount will include any of the following that were applicable to you as at 30 June 2007: • pre-July 1983 component • concessional component • post-June 1994 invalidity component • capital gains tax exempt component • undeducted contributions since 1 July 1983.

What is the tax payable on retirement income stream payments?

No tax is payable on the tax-free portion of your income payments.

If you are under age 60 the taxable component of your income payments will be taxed at your personal marginal tax rate (plus Medicare levy), although a 15% tax offset may apply.

You will be eligible for the 15% tax offset if you:

- have reached your preservation age but under age 60; or
- suffer physical or mental ill health and two legally qualified medical practitioners certify that it is unlikely that you can be gainfully employed again in a position for which you are reasonably qualified by reason of your education, experience or training.

The 15% tax offset is only applied to the taxed element of the taxable component.

PAYG withholding tax will be deducted from your income payments and paid by the fund to the ATO. If you are under age 60 and we do not have your TFN, tax will be withheld from the taxable component of your income payments at the highest marginal rate (plus Medicare levy).

Example

Kathy is aged 58 years and has reached her preservation age. Kathy has $400,000 in her super account. This amount includes a:

- tax-free component of $100,000; and
- taxable component of $300,000.

Kathy uses all of her superannuation to start her retirement income stream on 1 January 2023.

The tax-free percentage of Kathy's superannuation when she starts her retirement income stream would be:

$$\frac{\textbf{Tax-free component}}{\textbf{Total amount rolled in}} = \frac{\$100{,}000}{\$400{,}000} = 25\%$$

The taxable percentage of Kathy's income would therefore be 75%.

Kathy receives her first income payment of $3,000 on 1 February 2023. The tax-free component of this payment would be:

$3,000 x 25% = $750

The taxable component of Kathy's income payment would therefore be the remaining amount:

$3,000 – $750 = $2,250

The taxable component will be taxed at Kathy's marginal tax rate (plus Medicare levy), however, it will also attract a 15% tax offset which will reduce the tax she has to pay.

Note: The example is illustrative only and is based on the factors stated. The example should not be taken to contain or provide an estimate of the tax you will pay. This example assumes that the taxable component is comprised solely of a taxed element.

What is the tax payable on lump sum withdrawals?

No tax is payable on the tax-free portion of your lump sum withdrawals.

If you are under age 60, tax is payable on the taxable component of your lump sum payment, at the following rates:

- If you are over preservation age, but under age 60:
  - no tax is payable up to $230,000[1]
  - amounts over $230,000[1] are taxed at a flat rate of up to 15% plus Medicare levy.
- If you are under your preservation age, tax is payable at a rate of up to 20% plus Medicare levy.

A higher rate applies to untaxed elements of the taxable portion of a lump sum payment.

The low rate tax-free threshold is a lifetime limit and is reduced by the value of the low rate threshold used in any previous lump sum withdrawals.

PAYG withholding tax will be deducted from your lump sum withdrawals and paid by the fund to the ATO. If we do not have your TFN, tax will be withheld from the taxable component of your lump sum withdrawals at the highest marginal rate (plus Medicare levy).

[1] This is the low rate tax-free threshold, which is a lifetime limit and is reduced by the value of the low rate threshold used in any previous lump sum withdrawals. This amount is current as at 1 July 2022 and is subject to indexation in line with AWOTE in increments of $5,000 each 1 July when the accumulated indexation reaches this amount.

Tax on death benefits

Lump sum benefits

If the person receiving your death benefit is a death benefit dependant under taxation law (see 'Death benefit dependant for tax purposes' below), the lump sum will be tax free. If the person is not a death benefit dependant, tax at a maximum rate of 15% plus Medicare levy on taxed elements and 30% plus Medicare levy on untaxed elements will be payable on the taxable component of the lump sum (this assumes that the beneficiary has provided their TFN to the fund).

Where we make a payment to the member's estate/legal personal representative it will be paid as a pre-tax lump sum and the estate will be responsible for the tax treatment of the death benefit depending on the end-beneficiaries and their dependant status.

Death benefit income stream

If your death benefit is paid as an income stream, the income stream will generally be tax free if either:

- you are aged 60 or older at the time of death; or
- the beneficiary is aged 60 or older (at the time the income stream payments are made).

Otherwise, the beneficiary will generally pay tax as follows until they reach age 60 (after which the payments will be tax free):

- no tax will be payable on the tax-free component
- the taxable component will be included in the beneficiary's assessable income, but they will be entitled to a 15% tax offset
- if your income stream reverts on your death to your spouse, the amount your spouse receives will count towards their transfer balance cap (with special rules applying to child recipients).

Death benefit dependant for tax purposes

A death benefit dependant of a person who has died, is:

- the deceased's spouse or de facto or former spouse
- the deceased's child under age 18
- any person with whom the deceased had an interdependency relationship just before their death
- any other person who was financially dependent on the deceased just before their death.

A retirement income stream allows you to keep your money in the superannuation system, which means you continue to receive the **tax advantages** of superannuation.

Summary of tax treatment

The information in this table assumes benefits are comprised solely of taxed elements (i.e. superannuation that has already had tax paid on it within the fund).

Item	Rate of tax
The amount you roll in (transfer) to set up your retirement income stream account	Nil, unless the rollover contains an untaxed element in the taxable component or the amount you use to set up your income stream (with us or other super funds) exceeds your transfer balance cap.
Investment returns	No tax while the benefit stays in your retirement income stream account.
Death benefits	No tax is paid on lump sum death benefits paid to a death benefit dependant as defined in the tax legislation (see 'Death benefit dependant for tax purposes' on page 38). The taxable component of a lump sum paid to a non-dependant is taxed at 15%,[1] provided they supply their TFN. The taxation of a reversionary income stream depends on the ages of both the member and reversionary beneficiary.

Payments	Income stream	Lump sum
Aged 60 or over	No tax (with or without your TFN).	No tax (with or without your TFN).
Reached your preservation age, but under age 60	The taxable component is taxed at your personal marginal tax rate[1] (15% tax offset applies). However, if we do not have your TFN, tax is withheld on the taxable component at the highest marginal tax rate.[1]	The taxable component is tax free up to $230,000[2] and 15%[1] on the remainder. If we do not have your TFN, tax is withheld on the taxable component at the highest marginal tax rate.[1]
Under preservation age	The taxable component is taxed at your personal marginal tax rate[1] (no tax offset applies unless the payment is a disability superannuation benefit). If we do not have your TFN, tax is withheld on the taxable component at the highest marginal tax rate.[1]	The taxable component is taxed at 20%.[1] If we do not have your TFN, tax is withheld on the taxable component at the highest marginal tax rate.[1]

[1] Plus Medicare levy.

[2] This amount is current as at 1 July 2022 and is subject to indexation in line with AWOTE in increments of $5,000 each 1 July when the accumulated indexation reaches this amount.

Fees and other costs

The wording below regarding negotiation of fees is required by law. Our fees and costs are not negotiable.

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from $100,000 to $80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You or your employer, as applicable, may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** Moneysmart website (www.moneysmart.gov.au) has a superannuation calculator to help you check out different fee options.

This section shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of the superannuation entity as a whole.

Other fees, such as activity fees and advice fees for personal advice, may also be charged, but these will depend on the nature of the activity or advice chosen by you. Entry fees and exit fees cannot be charged.

Taxes are set out in another part of this document.

You should read all the information about fees and other costs because it is important to understand their impact on your investment.

The fees and other costs for each investment option offered by the entity are set out on page 43.

Fees and costs summary – Aware Super Retirement Income Stream

Type of fee	Amount	How and when paid
Ongoing annual fees and costs[1,2]		
Administration fees and costs	$52 per year *plus* Asset-based administration fee of 0.23% per year ($115 per $50,000), capped at $1,500 per year.	We calculate and deduct the monthly $4.33 fee (i.e. $52 annually) from your account at the end of each month. We calculate and deduct the asset-based administration fee monthly from your account at the end of each month, based on your account balance at the end of the month. If you join during a month, these fees are calculated based on the number of days you were in the fund (i.e. the date of your first transaction). When you leave the fund, fees are calculated for the number of days you were in the fund that month and is charged on your exit.
Investment fees and costs[3,4]	Estimated to range from 0.04% to 0.62% per year ($20 to $310 per $50,000). The amount you pay varies according to which option/s you select. See the table in the 'Additional explanation of fees and costs' section for more information.	Investment fees and costs are accrued daily in the unit price of each investment option and deducted from the assets of the fund or an underlying investment vehicle in varying frequencies (typically monthly or quarterly).
Transaction costs[3]	Estimated to range from 0.00% to 0.08% per year ($0 to $40 per $50,000). The amount you pay varies according to which option/s you select. See the table in the 'Additional explanation of fees and costs' section for more information.	Transaction costs are incurred over the course of the year and deducted when incurred from the assets of the fund or an underlying investment vehicle before we determine the unit price of each investment option.
Member activity related fees and costs		
Buy-sell spread	Nil	Not charged
Switching fee	Nil	Not charged
Other fees and costs[5]	**Advice fees** $0 for intra-fund advice	We don't charge an advice fee for intra-fund advice about your Aware Super account. This applies to all members investing in any of our investment options.
	Broader and more complex advice	Your financial planner may be able to request for their advice fees to be deducted from your account upon your consent.

1 If your account balance for a product offered by the superannuation entity is less than $6,000 at the end of the entity's income year, certain fees and costs charged to you in relation to administration and investment are capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded.

2 Unless otherwise stated, investment fees and costs and transaction costs are inclusive of GST and net of any reduced input tax credits (RITCs) at the prescribed rate. Administration fees and costs are not subject to GST.

3 These fees and costs are indicative only and are based on the investment fees and costs and transaction costs for the year ended 30 June 2022, other than performance fees which are a five-year average. Past costs are not a reliable indicator of future costs. The actual amount you'll pay in subsequent financial years will depend on the actual fees and costs incurred by the trustee in managing the investment option.

4 Investment fees and costs include an amount for performance fees, ranging from 0.00% to 0.28% depending on your investment option/s. The calculation basis for these amounts is set out under 'Additional explanation of fees and costs'.

5 Refer to 'Additional explanation of fees and costs' for details.

Example of annual fees and costs for a superannuation product

This table gives an example of how the ongoing annual fees and costs for the Growth investment option for this superannuation product can affect your superannuation investment over a 1-year period. You should use this table to compare this superannuation product with other superannuation products.

EXAMPLE – Growth investment option		BALANCE of $50,000
Administration fees and costs	$52 + 0.23%	For every $50,000 you have in the superannuation product, you will be charged or have deducted from your investment **$115** in administration fees and costs, plus **$52** regardless of your balance
PLUS Investment fees and costs[1,2]	0.54%	**And**, you will be charged or have deducted from your investment **$270** in investment fees and costs
PLUS Transaction costs[1,2]	0.07%	**And**, you will be charged or have deducted from your investment **$35** in transaction costs
EQUALS Cost of product[3]		If your balance was $50,000 at the beginning of the year, then for that year you will be charged fees and costs of **$472*** for the superannuation product.

* Additional fees may apply.

[1] If your account is invested in investment options other than the Growth option the investment fees and costs and transaction costs will be different to those displayed. Refer to 'Additional explanation of fees and costs' on page 43 for further details.

[2] The calculation basis for this amount is set out under the 'Additional explanation of fees and costs'. These fees and costs are indicative only and are based on the investment fees and costs and transaction costs for the year ended 30 June 2022, other than performance fees which are a five-year average. The actual amount you'll pay in subsequent financial years will depend on the actual fees and costs incurred by the trustee in managing the investment option. Investment fees and costs includes an amount of 0.25% for performance fees.

[3] The calculated amounts do not include contributions that may be made during the year.

Cost of product for 1 year

The cost of product gives a summary calculation about how ongoing annual fees and costs can affect your superannuation investment over a 1-year period for all superannuation products and investment options. It is calculated in the manner shown in the Example of annual fees and costs.

The cost of product information assumes a balance of $50,000 at the beginning of the year. (Additional fees such as a buy-sell spread may apply: refer to the Fees and costs summary for the relevant superannuation product or investment option).

You should use this figure to help compare superannuation products and investment options.

Aware Super Retirement Income Stream	Cost of product
High Growth	$517
Growth	$472
Diversified Socially Responsible Investment	$347
Balanced Growth	$452
Conservative Growth	$317
Australian Equities	$192
Australian Equities Socially Responsible Investment	$277
International Equities	$192
Property	$457
Australian Fixed Interest	$197
International Fixed Interest	$272
Cash	$187

Additional explanation of fees and costs

Ongoing annual fees and costs

The table below summarises the annual investment fees and costs and transaction costs for each investment option.

You should refer to our website at **aware.com.au/pdsupdates** for any updates to fees and costs which are not materially adverse from time-to-time.

Important: The investment fees and costs and transaction costs in the table below are indicative only and based on the fees and costs incurred for the year ended 30 June 2022, other than performance fees which are a five-year average. The actual amount you'll pay in future years will depend on the fees and costs incurred by the trustee in managing the investment option/s. **Past costs are not a reliable indicator of future costs.**

Investment option	Investment fees and costs (%)		Total investment fees and costs (%)	Transaction costs (%)	Total investment fees and costs and transaction costs (%)
	Investment base fees (%)	*Performance fees (%) 5-year average*			
Diversified investment options					
High Growth	0.34%	0.28%	**0.62%**	0.08%	**0.70%**
Growth	0.29%	0.25%	**0.54%**	0.07%	**0.61%**
Diversified Socially Responsible Investment	0.23%	0.08%	**0.31%**	0.05%	**0.36%**
Balanced Growth	0.28%	0.21%	**0.49%**	0.08%	**0.57%**
Conservative Growth	0.14%	0.12%	**0.26%**	0.04%	**0.30%**
Single asset class investment options					
Australian Equities	0.04%	0.00%	**0.04%**	0.01%	**0.05%**
Australian Equities Socially Responsible Investment	0.18%	0.00%	**0.18%**	0.04%	**0.22%**
International Equities	0.04%	0.00%	**0.04%**	0.01%	**0.05%**
Property[1]	0.26%	0.25%	**0.51%**	0.07%	**0.58%**
Australian Fixed Interest	0.06%	0.00%	**0.06%**	0.00%	**0.06%**
International Fixed Interest	0.21%	0.00%	**0.21%**	0.00%	**0.21%**
Cash	0.04%	0.00%	**0.04%**	0.00%	**0.04%**

[1] The total fees and costs for the Property option will be lower from 31 December 2022 due to the change in target asset allocation to 100% listed property.

Administration fees and costs

Administration fees and costs are charged by the trustee for administering and operating the fund. These types of fees and costs include, distribution costs (such as for marketing) and intra-fund advice costs.

Administration fees and costs charged by the trustee are credited to an administration reserve and the expenses and costs the trustee incurred in operating and administering the fund are funded from the administration reserve. Any surplus in amounts credited to the administration reserve, together with credits from certain other sources (such as tax credits) are held in the administration reserve and available for use to fund administration and operating costs in subsequent years, which may include investment in strategic projects for the benefit of members.

The administration reserve is also used to fund the Operational Risk Financial Reserve (ORFR). Australian super funds are required to have an ORFR by the Australian Prudential Regulation Authority (APRA) to cover any losses, costs and expenses that may occur in the event of an operational risk event.

If the administration-related costs paid from the administration reserve in any one year exceed the administration fees and costs credited to the reserve in that year, then that excess amount is included in the fees and costs disclosure as an additional administration fee and cost.

Investment fees and costs

Investment fees and costs are the costs paid for managing the fund's investments for each option. It's made up of an investment base fee and a performance fee.

We pay these fees and costs from the fund or they are deducted from underlying investment vehicles before we calculate an investment option's unit price; they're not deducted directly from your account.

Investment base fees

Investment base fees include:

- fees paid to investment managers, including fees charged by any underlying investment vehicles,
- the costs of the Aware Super investment team,
- amounts paid to third parties, such as our custodian, asset consultants, valuers, accountants, auditors, tax specialists and securities lenders.

They also include estimated costs of over-the-counter (OTC) derivatives which, rather than being traded on a listed financial market, are private contracts traded directly between two parties. For example, a number of foreign investments are hedged to the Australian dollar via the use of currency forward contracts, a type of OTC derivative. This helps minimise the impact of currency fluctuations on investment returns.

Investment base fees may vary from year-to-year and we can't calculate them precisely in advance. The amount you'll pay in future years depends on the fees and costs the trustee has to pay to manage the investment option.

The estimated investment base fees per option for the 12 months to 30 June 2022 are shown in the table on page 43.

Performance fees

Aware Super doesn't charge performance fees. However, performance fee arrangements are common for some asset classes, and it would be difficult to access certain investment opportunities without having performance fee arrangements with our external managers in place. Consequently, some of our external managers are entitled to receive performance fees, in addition to base investment fees, if they generate investment returns that exceed an agreed level. The base investment fees are typically set at a lower level than they would be if there was no performance fee arrangement.

When our external managers with performance fee arrangements perform well, they may be entitled to performance fees which may result in higher investment fees and costs. On the other hand, if they perform poorly, no performance fees are payable. Performance fees have no impact on the administration fees and costs paid by you.

It's not possible to accurately predict the amount of performance fees that may be payable for any one investment option in any given year. This will depend on:

- the investment returns generated during the year ahead,
- which managers generate excess returns within their portfolios,
- whether there were negative amounts (or positive amounts) being carried forward for those managers,
- the individual fee arrangements which were negotiated with the relevant investment managers,
- the size of the portfolios being managed by those managers, and
- the proportion of those portfolios which relate to the relevant investment option.

Given the significant variability of performance fees in any one year, estimated performance fees per option are disclosed as an average of the last five financial years, which is calculated as follows:

1. We start with the estimated performance fees calculated each year, which comprise an amount that has been paid to our external managers, and an amount that has been accrued for the year and not yet paid. These amounts are calculated as a percentage of the average assets of the relevant investment option. If the accrued performance fee amount is negative, so that the overall performance fee of an investment option is negative for the year, the performance fee will be considered to be nil rather than the negative amount.
2. The performance fees for the last five financial years are added together and divided by 5 to obtain the 5-year average for each investment option.

For new investment options, or investment options that haven't existed for more than 5 years, we estimate performance fees as follows:

- Where the investment option was first offered in the current financial year, we calculate the average by reference to a reasonable estimate of the performance fee for the current financial year, adjusted to reflect a 12-month period.

Important information about performance fees

As the majority of accrued performance fees are only payable once an investment is sold, it is possible that not all performance fee amounts disclosed will ultimately be paid. The disclosed amounts provide an estimate of what is payable at a point in time.

Performance fees may be payable to an investment manager even when the performance of an investment option as a whole does not exceed its specified return target.

- Where the investment option was not in operation for the previous 5 financial years, we calculate the average by reference to the number of financial years in which the option has operated.

Estimated performance fees per option are disclosed as an average of the last five financial years, where available, in the table on page 43.

Transaction costs

Transaction costs may be incurred directly by the fund or through an underlying investment vehicle when buying and selling their assets. Transaction costs are deducted from the assets of the fund or an underlying investment vehicle and are an additional cost that reduces the return on your investment.

Transaction costs include:

- **Brokerage** – the amount paid to a broker when buying and selling securities, for example shares on a stock exchange. In some overseas markets we also pay stamp duty on share transactions which we consider a part of brokerage. While brokerage is an additional cost of investing, as a large institutional investor, we pay wholesale brokerage rates which are generally cheaper than retail brokerage rates.
- **Clearing fees** – fees for futures trades to a clearing house for settling and reconciling orders between transacting parties (buyers and sellers).
- **Stamp duty** – a government tax paid on the legal transfer of property and certain other assets from one owner to another. As mentioned above, in certain countries we pay stamp duty on equity transactions, but most of the stamp duty we pay relates to direct property and infrastructure where these costs can be significant.
- **Commissions** – a percentage of the sale amount paid to a selling agent, for instance, when they sell a direct property investment such as an office building. Like stamp duty, commission amounts can be substantial.
- **Buy/Sell spreads** – investments in some underlying investment funds may include buy/sell spreads. These are a charge built into the buy and sell unit prices of an investment fund to cover the costs of buying and selling the assets, and so are payable when units in the underlying investment fund are bought or sold.
- **Due diligence costs** – the costs of researching a potential investment, for example legal and advisory costs.

Transaction costs exclude borrowing costs, property operating costs and certain implicit transaction costs or market impact costs.

Transaction costs differ for each option and should not be considered in isolation of investment returns. The amount incurred will vary from year-to-year depending on the type, size and frequency of transactions. In general, illiquid asset classes such as property and infrastructure tend to have higher transaction costs (for example stamp duty) compared to more liquid asset classes like equities and fixed income. Actively managed investments tend to have higher transaction costs than passively managed investments, such as an index fund, because the volume of trading is typically higher to generate investment returns.

The estimated transaction costs per option for the 12 months to 30 June 2022 are shown in the table on page 43.

Member activity-related fees and costs

Financial Advice

Intra-fund advice about your Aware Super account

As a member you have access to personal financial advice limited to your account (i.e. intra-fund advice) at no separate charge. The cost of providing this service is covered by the administration fees. This service is offered under the licence of our financial planning business which is wholly owned by Aware Super Pty Ltd as trustee of the fund. You should read their Financial Services Guide before making a decision. For more information about our services call **1300 650 873** or view our website at: **aware.com.au/financialadvice**.

Comprehensive financial advice

If you obtain broader and more complex personal advice (i.e. not intra-fund advice), the associated fees will depend on the scope and complexity of the advice. Your financial planner may be able to request for their advice fees to be deducted from your Aware Super account upon your consent, or you may need to pay for it directly. We don't pay any commissions to financial planners.

Tax

For more information on the amount of tax payable, see **Tax and your retirement income stream** from page 35.

Tax rebates on your account

Retirement income streams are not subject to tax on earnings in the fund and so no tax deduction can be claimed (and nothing can be passed on to you) for expenses and costs relating to these types of pension accounts.

GST and stamp duty

Fees and costs may include GST and stamp duty. The fund may be entitled to claim a reduced input tax credit (RITC), which represents a proportion of the GST applicable to investment fees and costs and certain other expenses, as set out in the GST law.

Investment fees and costs and transaction costs are inclusive of GST and net of any RITC at the prescribed rate. Administration fees and costs are not subject to GST.

Changes to fees and costs

We can change all fees and costs from time to time without your consent. For example, fees and costs may increase when there are changes in superannuation law or the fees our service providers charge increase. We'll give you at least 30 days' advance notice if the fees we charge increase or if we introduce a new fee that affects your account.

Where an increase in the costs is attributable to an increase in the trustee's costs of managing your investments, the trustee will notify you as soon as possible after the change takes effect. If the changes to costs are:

- materially adverse, the trustee will notify you no more than three months after the change takes effect
- not materially adverse, the trustee will notify you within 12 months of the change.

We'll update any changes to fees and costs on our website at **aware.com.au/pdsupdates**. You can also call us on **1300 650 873** to request this information without charge.

Defined fees

This section defines the different fees and costs that are able to be legally charged to your Aware Super account. Not all charges apply.

<table>
<tr><th>Type of fee or cost</th><th>Definition</th><th>How it applies to your Aware Super Retirement Income Stream account</th></tr>
<tr><td>Activity fees</td><td>A fee is an activity fee if:
• the fee relates to costs incurred by the trustee of the superannuation entity that are directly related to an activity of the trustee:
– that is engaged in at the request, or with the consent, of a member; or
– that relates to a member and is required by law; and
• those costs are not otherwise charged as administration fees and costs, investment fees and costs, transaction costs, a buy-sell spread, a switching fee, an advice fee or an insurance fee.</td><td>We do not charge activity fees.</td></tr>
<tr><td>Administration fees and costs</td><td>Administration fees and costs are fees that relate to the administration or operation of the superannuation entity and includes costs incurred by the trustee of the entity that:
• relate to the administration or operation of the entity; and
• are not otherwise charged as investment fees and costs, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.</td><td>Administration fees and costs includes:
• an administration fee of $52 per year plus
• an asset-based administration fee of 0.23% per year.
The asset-based administration fee component (0.23% per year) is capped at $1,500 per year.</td></tr>
<tr><td>Advice fees</td><td>A fee is an advice fee if:
• the fee relates directly to costs incurred by the trustee of the superannuation entity because of the provision of financial product advice to a member by:
– a trustee of the entity; or
– another person acting as an employee of, or under an arrangement with, the trustee; and
• those costs are not otherwise charged as administration fees and costs, investment fees and costs, a switching fee, an activity fee or an insurance fee.</td><td>There is no charge for intra-fund advice about your Aware Super account.
However, you will be charged an advice fee if you agree to receive comprehensive personal financial advice from a financial planner. The fees will be discussed and agreed with you at that time.
See 'Financial Advice' on page 45 for further information.</td></tr>
<tr><td>Buy-sell spreads</td><td>A buy-sell spread is a fee to recover costs incurred by the trustee of the superannuation entity in relation to the sale and purchase of assets of the entity.</td><td>We do not charge buy-sell spreads.</td></tr>
<tr><td>Exit fees</td><td>An exit fee is a fee, other than a buy-sell spread, that relates to the disposal of all or part of a member's interests in a superannuation entity.</td><td>We do not charge exit fees.</td></tr>
<tr><td>Investment fees and costs</td><td>Investment fees and costs are fees and costs that relate to the investment of the assets of a superannuation entity and includes:
• fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and
• costs incurred by the trustee of the entity that:
– relate to the investment of assets of the entity; and
– are not otherwise charged as administration fees and costs, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.</td><td>A breakdown of these fees and costs for each investment option is provided on page 43, noting that performance fees are based on a five-year average while investment base fees are for the 12 months to 30 June 2022.</td></tr>
<tr><td>Switching fees</td><td>A switching fee for a superannuation product other than a MySuper product, is a fee to recover the costs of switching all or part of a member's interest in the superannuation entity from one investment option or product in the entity to another.</td><td>We do not charge a switching fee.</td></tr>
<tr><td>Transaction costs</td><td>Transaction costs are costs associated with the sale and purchase of assets of the superannuation entity other than costs that are recovered by the superannuation entity charging buy-sell spreads.</td><td>A breakdown of these costs for the 12 months ended 30 June 2022, for each investment option, is provided in the table on page 43.</td></tr>
</table>

Other useful information

This section covers a number of areas that may not be directly related to your retirement income stream account, but they are important features of the product and your membership.

How the assets of the fund are held

We have appointed State Street Australia Limited as Custodian, whose role is to:

- hold the assets of the fund on our behalf,
- perform certain administrative, unit pricing, accounting, monitoring and reporting functions for the fund.

We may replace the Custodian at any time without notice to you.

Use of derivatives

Derivatives, such as futures or options, are investment products whose value is derived from the underlying investment. For example, the value of a share option is linked to the value of the underlying share. Gains and losses from holding positions in derivatives can occur due to market movements.

Derivatives may be used:

- to manage risk (e.g. foreign currency hedging);
- for asset allocation purposes;
- as a way to implement investment positions efficiently; and
- to enhance returns.

Derivative contracts must not be held unless, at all times, there are sufficient assets to support the liability under each contract (i.e. derivatives cannot be used to leverage an investment option directly). We may also invest in unlisted trusts which employ leverage and derivatives with the objective of enhancing returns (e.g. hedge funds).

Securities lending

Securities lending involves the temporary transfer of a security, for example a share or bond, from the owner (lender) to another investor or financial intermediary (borrower), in exchange for collateral in the form of cash or securities.

The trustee participates in a securities lending program, the primary rationale for which is to generate additional revenue to improve investment outcomes for members. Importantly, the program is subject to various controls and limits and regular reviews are performed to ensure the risks associated with lending assets of the fund are commensurate with the reward.

The fund's securities lending arrangements can be altered or terminated at any time.

Cooling-off period

You have a 14-day cooling-off period to decide whether the Aware Super retirement income stream is right for you.

The cooling-off period starts on the date you receive your welcome letter, or five working days after we open your retirement income stream account, whichever happens first.

If you cancel your account, the amount returned to you or transferred to another fund may vary from the amount you invested because there may be changes in the value of the investment option in which your retirement income stream account is invested (which could be either positive or negative). We will also deduct any tax that may be payable on the amount you have invested and any payments made to you.

You may wish to obtain financial advice before exercising your cooling-off right as it may have tax implications.

How your account works

The money you invest with us is pooled with other members' savings and then invested to earn you a return. This allows access to a wider range of investments.

How earnings are applied to your account

When you invest in an Aware Super retirement income stream, you buy a number of units in an investment option(s). The number of units you receive depends on the value of the units (the unit price) at the date they are bought.

The unit price for an investment option is calculated by dividing the net assets of the investment option by the total number of units issued in that option. If the investment option earns positive returns, the unit price will rise and consequently the value of your investment will rise. Conversely, if the investment option experiences negative returns, the unit price and the value of your investment will fall.

Amounts deducted from your account

Every amount deducted from your account also sells units. Transactions that decrease the number of units you hold in your investment option(s) include:

- the deduction of administration fees
- the payment of any other service fees, including adviser service fees
- any income stream payments, or lump sum payments made or transferred out of Aware Super, and any tax payable in respect of these payments
- any payment splits under a family law arrangement.

Your balance will also be adjusted for investment returns.

If your retirement income stream account is invested in a number of options, deductions are made on a pro-rata basis from each option. You can choose the investment option from which you would like your retirement income stream payments or any lump sum withdrawals deducted. The unit price applied to transactions is generally the unit price applicable for the day the transaction is processed.

Calculation of unit prices

Each Aware Super investment option represents a portfolio of assets. The mix of assets depends on the investment objective of the investment option (see pages 22 to 28).

The unit price of each investment option is based on the net value of the assets in that option.

The net value is equal to the sum of the market value of the individual assets including any franking credits less investment expenses, fees charged by external investment managers, amounts payable to the custodian and internal investment management costs.

Generally speaking, the unit price for each investment option is calculated each business day[1]. However, in certain circumstances, such as the closure of investment markets, a delay in an underlying manager issuing unit prices, or if an underlying manager delays or suspends transactions, we may suspend unit pricing because it may not be possible to calculate a fair unit price. The suspension of unit pricing could be for some time and we are not responsible for any losses caused by these delays.

The unit prices for each investment option are published the following business day,[1] generally after 6pm. For the latest unit prices go to **aware.com.au/unitprices**

Example

If you have $200,000 to invest in the Balanced Growth investment option on 1 July when units in that option are valued at $1, you will start your retirement income stream with:

Initial investment	$200,000
Value of units at 1 July	$1
Number of units bought	200,000

If, on 1 August, the unit price increases to $1.05 then you will have:

Number of units	200,000
Value of units at 1 August	$1.05
Value of your investment	$210,000

Note: The example is illustrative only and is based on the factors stated. The example should not be taken to contain or provide an estimate of the earnings you will receive.

[1] A business day is all weekdays excluding the following public holidays: New Year's Day, Australia Day, Good Friday, Easter Monday, ANZAC Day (when it falls on a weekday), Queen's Birthday (in June), Christmas Day and Boxing Day.

Valuation of the fund's assets

Investments are valued regularly so that transactions can be processed at values that are fair and reasonable. Some investments, such as shares, fixed income and cash investments, are valued daily, while others are valued less frequently.

Listed investments such as shares are valued based on the end of day price quoted for the relevant exchange, for example the Australian Securities Exchange (ASX). Fixed income securities, which are not traded on listed markets, such as government and corporate bonds, are valued using market average prices from independent sources.

Assets valued less frequently than daily include investments in real property and infrastructure, private equity, and some hedge funds. The timing of the valuations for these assets varies, but is typically quarterly or monthly, with all assets valued at least on a semi-annual basis. Valuations of these assets are carried out by registered valuers or under pre-determined valuation methods.

Social security and your income stream

When you purchase a retirement income stream it may have an impact on social security benefits. You may wish to seek independent advice from a financial adviser in relation to how this may apply in your personal circumstances.

Qualifying for an age pension

In addition to an age requirement, two tests are applied to determine your eligibility for the age pension – the income test and the assets test. Your age pension entitlement will be determined using the test that delivers the lowest amount of age pension.

How to find out more

To find out more about Centrelink's income and assets tests, go to Department of Human Service's website, **humanservices.gov.au** or call Centrelink's Financial Information Service on 132 300.

Privacy

We are subject to the *Australian Privacy Principles of the Privacy Act 1988 (Cth)*. We, and our administrator, collect and hold personal information relating to members. The member information we hold is used for administration purposes, the provision of financial planning advice and for promotional activities.

In some cases, we engage third parties to host electronic data (including data in relation to the services we provide) on our behalf. These data warehouses may be located overseas in countries including Germany, the United Kingdom, United States and must have in place appropriate security and privacy protocols.

If we do not have all your necessary personal information, we may not be able to process an application from you or you may not receive certain benefits that you are entitled to as a member.

We take security measures to protect the personal information we hold. Your information is only accessible by fund personnel and authorised service providers of the trustee, including the administrator and insurer. Access to your details is protected, however your spouse/de facto may be entitled to obtain information about your super in certain circumstances (i.e. family law matters).

Our privacy policy contains information about how you may access and seek correction of your personal information, how you may complain about a breach of your privacy and other important information about how your personal information is collected, used and disclosed.

For further information about how your personal information is handled, please phone us on **1300 650 873** or visit **aware.com.au/privacy** to view our privacy policy.

A paper copy of the policy can be provided free of charge on request.

When do I need to prove my identity?

Under the anti-money laundering and counter-terrorism financing (AML/CTF) legislation, we are required to obtain proof of identification before undertaking certain transactions and paying money out. The most common transaction requests include:

- applying for a benefit payment, which includes a transfer to another fund if you don't provide your TFN or the other fund is a self-managed super fund
- advising a change of name
- opening an income stream account
- transferring to a Kiwi Saver account.

This means we need to identify you, executors of your estate and/or beneficiaries, or anyone acting on your behalf (such as under a power of attorney). Accordingly, we may be required to delay or refuse any request or transaction in relation to your account until we obtain proof of identity documentation. For further information about providing proof of identity, see the fact sheet *Providing proof of identity* on our website at **aware.com.au/proofofid**.

Family law

Federal legislation allows legally recognised couples to divide their superannuation upon the breakdown of their relationship. This means that:

- your spouse (or de facto partner)[1] can obtain information about your super (though we cannot provide your address or other details)
- a benefit payment flag can be placed on your account, which stops us from paying your benefit to you while the flag is in place
- your super may be split with your spouse (or de facto partner)[1] either by agreement or by a Court Order.

[1] This does not apply to de facto partners in Western Australia (WA). WA and the Federal Government has announced that de facto couples in WA will be able to access these options, but at the time of issue, this announcement was not yet law.

Complaint resolution

We can usually answer any questions you have about your account over the phone. If you're not satisfied with the response or need more help, please contact our Complaints Team:

Email: complaints_officer@aware.com.au

Phone: 1300 650 873

Int'l: +61 3 9131 6373

Online: **aware.com.au/contact**

In writing: Complaints Officer
PO Box 1229
Wollongong NSW 2500

Once we receive your complaint, we will investigate and try to resolve your concerns as soon as possible, generally within 30 days.

If you're not satisfied with the outcome, you can contact the Australian Financial Complaints Authority (AFCA). AFCA provides free and independent service to help resolve complaints and can be contacted as follows:

Online: **afca.org.au**

Email: info@afca.org.au

Phone: 1800 931 678 (free call)

In writing: Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001

Keeping you informed

Updates from Aware Super

We will send you:

- a PAYG summary by 14 July each year (if you are under 60 at any time during the year)
- an annual review letter advising you of the new minimum and maximum amounts for your income payments
- details of your retirement income stream for Centrelink purposes when you change your payment details or receive an irregular lump sum payment
- one statement each year that shows your retirement income stream account balance and your transactions during the year
- our member newsletter twice a year.

You will also receive notification of any material changes or significant events.

Ongoing disclosure is communicated electronically

We are required by law to communicate material changes and significant events which may affect your account, including material changes to product disclosure documents. We are also required to provide you with an annual superannuation statement, and provide access to our annual report.

If we have your email address we will communicate important super changes by email. For any personal account information, such as your annual statement, we'll send you an email to let you know when you need to view this information in your Document Centre (if you've registered for online access).

Registering for online access is simple. Just go to **aware.com.au/register** or give us a call if you'd like us to talk you through how to set this up.

You can choose how you receive your annual statements, important notifications and other information about your account – either electronically or by mail. Just log in and update your communication preferences or give us a call on **1300 650 873**.

Please note: if we don't have your email address all important information will be sent to you by mail.

Information available on request

As well as sending you regular information and answering your questions, we can provide you with further information including the fund's:

- Trust Deed and Rules
- latest audited accounts
- most recent annual report
- privacy policy
- rules for the appointment and removal of member representative directors and the independent director
- enquiries and complaints procedure.

If you would like paper copies of any of these documents, please contact us. There is no charge for this information.

Important information about the fund and the trustee, including trustee and executive remuneration, are available on our website at **aware.com.au/policies**.

Changing your details

At any time after joining Aware Super, you can change your:

- investment choice
- income payment amount and the timing of payments (subject to government limits – see pages 8 and 9)
- bank account for receiving your income payments
- contact details and address (you can change your address online if you are registered)
- name (you will need to provide supporting documents certified by a solicitor or Justice of the Peace or other eligible signatory)
- beneficiaries.

Learning more about your superannuation

If you want to learn more about your retirement income stream or superannuation, you can:

- arrange a personal interview by calling **1300 650 873**
- attend a member seminar – visit our website for information about our seminar program.

The application process

It's easy to start your Aware Super retirement income stream

Step 1: Make sure you're informed

- Read this *Member Booklet*.
- To help you plan for retirement review the retirement information on our website **aware.com.au/retirement**.
- Get financial advice if you need assistance.

Step 2: Set up an Aware Super superannuation account

You can only start a retirement income stream account from an Aware Super accumulation account. If you already have an Aware Super accumulation account, you can skip this step.

If you don't have an existing Aware Super accumulation account, you'll have to join the fund as a **personal member** so you have an account to deposit or roll money into to set up your retirement income stream. You should read the *Member Booklet for personal members* before making a decision. The *Member Booklet* is available on our website at **aware.com.au/pds**. You can join online or fill in the application form at the back of the *Member Booklet*.

Step 3: Organise your money

If you are only using money already held in your Aware Super accumulation account, you can skip this step.

Remember, once you have opened your retirement income stream account, you cannot make contributions or transfer money into it. So it's important to consolidate your money first.

- If you have money in another super fund(s) you want to invest in your retirement income stream, you should transfer it into your existing super account. You can transfer monies in from your other fund(s) by using our search and combine tool found at **aware.com.au/combine**. Alternatively, you can nominate the amount(s) you wish to transfer on the membership application form, and we will arrange the transfer for you.
- You should also deposit into your existing super account any other money (personal contributions or non-super money) you want to use to set up your retirement income stream account.
- If you currently have a retirement income stream account or another super account with us that you want to combine to start your new retirement income stream, you should transfer the balance(s) to the super account you will use to start your new retirement income stream. You can nominate this on your membership application form, and we will arrange this for you after all other amounts have been consolidated.

Step 4: Apply to start your retirement income stream

To apply for a retirement income stream, you should complete the *Retirement income stream member application*, and:

- nominate your income payments;
- if you are under 60, complete the *Tax file number declaration* (you should complete this form even if you don't want to provide your TFN because we need it for our records). It is not compulsory to supply your TFN, but if you don't and you're under age 60, PAYG tax will generally be deducted from your payments at the highest marginal tax rate (plus Medicare levy); and
- provide your proof of identity documents, unless you have already provided these and your name and the bank account you've nominated to receive payments have not changed.

You should also consider:

- Choosing an investment option to suit your needs, which you can nominate on the membership application form.
- Making a reversionary beneficiary nomination or a binding death benefit nomination so you know who will get your account balance if you die. You can make a reversionary beneficiary nomination on the application form but you must complete an *Income stream death benefit nomination* form to make a binding death benefit nomination. This form is available on our website and from customer service.

Step 5: Send your documents to us

Send your completed form(s) and supporting documents to **Aware Super, PO Box 1229, Wollongong NSW 2500**.

Investment glossary

Term	Meaning
Asset class	A category of investment, such as shares, cash or property.
Asset allocation	The percentage weighting to a particular asset class. For diversified options, asset allocations show how the option is spread across the different asset classes.
Benchmark	The standard or index the performance of an investment option is measured against (e.g. Bloomberg AusBond Bank Bill Index).
Consumer Price Index (CPI)	A measure of inflation that compares the cost of living (i.e. goods and services) over time. CPI is calculated and reported by the Australian Bureau of Statistics.
Custodian	A financial institution that holds the investments of the fund on behalf of the trustee. The custodian is also responsible for managing transaction settlements, collecting income on investments and calculating unit prices.
Derivative	An investment instrument such as a future or option, whose value is derived from the value of an underlying asset. Some derivatives are traded on an exchange (e.g. equities futures), while others are privately traded directly between two parties. These are known as over-the-counter, or OTC derivatives, and include currency forward contracts used for currency hedging and interest rate swaps used to hedge interest rate exposures.
Franking credits	A type of tax credit that allows Australian companies to pass tax paid by a company onto its shareholders. It reduces the double taxation of dividends that can occur.
Hedge	An investment to reduce the risk of adverse price movements in an asset, for example as a result of unfavourable currency movements.
Investment objective	The desired performance outcome for the relevant option.
Listed investments	Investments that are bought and sold on a stock exchange (e.g. shares, exchange traded funds, and equities futures).
Strategic asset allocation	The long-term asset allocation percentage targets for each investment option.
Unit price	The cost for a unit of the investment option which is calculated by dividing the value of the option by the number of units available.
Unlisted investments	Investments that are not traded on an exchange, such as direct property or infrastructure investments.

Retirement income stream member application

Use this form to open an Aware Super retirement income stream account.

Please use a dark pen and CAPITAL letters, or type directly into this form online, print and sign it and send it to us. Use (✗) to mark boxes.

If you have any questions, please call us on **1300 650 873**

1. Your personal details

Title

Last name*

Given name(s)*

Date of birth*

Male Female Other Unspecified

Residential address*

Suburb* State* Postcode*

Postal address (if different from residential)

Suburb State Postcode

Daytime contact number* Mobile number

Tax file number (please read 'The importance of providing your tax file number' on page 37 of this *Member Booklet* before providing your TFN)

Email (for security reasons, please ensure that your nominated email address is your personal email address and not a role-based email address such as employee_title@company.com.au)

If you are under age 60 you should provide your TFN on the *Tax file number declaration* following page 6. If you don't, you may pay more tax than necessary.

Communication preferences

By providing my email address and/or phone number, I'm consenting to receive communications from Aware Super via email, my online account, mobile app, as appropriate and in accordance with Aware Super's Privacy Policy. I understand I can change my communication preferences at anytime by calling Aware Super on **1300 650 873** or by logging into my online account.

☐ I would like to opt-out of receiving electronic communication and instead would like to receive communications and information about my Aware Super account via post.

Some correspondence cannot be sent electronically, so you may still receive some communications from Aware Super in the post.

* Indicates that providing this information is mandatory. Not doing so may delay the processing of your request.

2. Conditions of release

To set up a retirement income stream, you must have unrestricted non-preserved benefits. This requires that you have satisfied a condition of release.

Date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
After 30 June 1964	60

Please (✗) the first option that applies to you:

☐ I am aged 65 years or over

☐ I am aged between my preservation age (see table) and age 64 years and have permanently retired

☐ I have reached age 60 and have ceased a paid employment arrangement since my 60th birthday

Name of the employer you last stopped working for

Date you last worked with them

☐ I have not worked since then

OR

☐ I am currently in paid employment which started on

Contributions and earnings since you last left an employer may be preserved.

☐ I have been assessed as permanently incapacitated or terminally ill by Aware Super *(if this is more than 12 months ago, contributions and earnings since then may remain preserved).*

☐ I have existing unrestricted non-preserved benefits.

If you are permanently incapacitated or terminally ill, you may need to complete additional forms and provide medical evidence. Call customer service for more information.

3. Work test declaration (for members who are 67 or more)

From 1 July 2022 if you are under 75 years of age, you will no longer need to meet the work test to make or receive non-concessional (after-tax) contributions and salary sacrifice contributions. However, if you are aged 67-74 years, you will be required to meet the work test in order to claim a personal superannuation contribution deduction. You only need to complete this section if you are aged 67 to 74 and you have not completed a *Work test declaration* in respect of recent salary sacrifice, personal or spouse contributions made prior to 1 July 2022.

☐ In respect of voluntary contributions made (or spouse contributions received) prior to 1 July 2022, I have worked in paid employment for at least 40 hours within 30 consecutive days during the financial year in which the contributions were made before starting my retirement income stream.

4. How will your retirement income stream be set up?

Please mark (✗) in **one** of the three boxes below:

☐ I have an existing accumulation account with Aware Super that I want to use to set up my retirement income stream and I don't want to add any other money to this account before I start my retirement income stream. *Provide your member number and account number below, then go to Section 6.*

☐ I have an existing accumulation account with Aware Super that I want to add money to before I start my new retirement income stream. *Provide your member number and account number below, then go to Section 5.*

☐ I don't have an existing accumulation account with Aware Super. *You will need to open an accumulation account before we can start your retirement income stream. This account will receive any contributions you wish to make, benefit transfers from other funds, and consolidations from existing Aware Super accumulation accounts before we start your retirement income stream. You can open a superannuation accumulation account online at* ***aware.com.au/join****, or complete the application form at the back of the Member Booklet for personal members. The booklet is available on our website and from customer service.*

Record your existing Aware Super **member number** and **account number** below or attach your completed *Personal member application* form.

Member number

Account number F S S U

You can also request rollovers online at **aware.com.au/combine** using our **Search & Combine** tool or request any additional rollovers on a *Request to transfer benefits to Aware Super* form.

5. If you want to add money before starting your income stream

5.1 If you want to add money from external super accounts to your Aware Super accumulation account before starting your retirement income stream

We can arrange the transfer of other super account balances to your Aware Super accumulation account before we set up your retirement income stream. You can nominate the super funds and the amount you wish to transfer and we will arrange the transfer.

☐ I have already arranged the transfer of super from external funds as follows:

Approximate amount $, ,   Name of fund

Approximate amount $, ,   Name of fund

☐ Please arrange for the transfer from the following external funds:

IMPORTANT!
Please ensure that you include your FROM fund's name, ABN, Unique Superannuation Identifier and your member number with them or we may not be able to process your request.

Details of external (FROM) fund (1)

Name of the other fund (your **FROM** fund)

Address of other fund

Suburb   State   Postcode

Fund ABN   Unique Superannuation Identifier (USI)

Member number (in your **FROM** fund)   Contact number

Electronic Service Address (ESA) if SMSF

☐ Transfer my whole benefit; **or**

☐ Transfer the following part of my benefit: $, , .

5. If you want to add money before starting your income stream (cont.)

Details of external (FROM) fund (2)

Name of the other fund (your **FROM** fund)

Address of other fund

Suburb State Postcode

Fund ABN Unique Superannuation Identifier (USI)

Member number (in your **FROM** fund) Contact number

Electronic Service Address (ESA) if SMSF

☐ Transfer my whole benefit; **or**

☐ Transfer the following part of my benefit: $, , .

If you have insurance through your external fund(s) it won't be automatically brought across to us when you transfer your benefit. Consider your insurance needs and apply to transfer across or replace cover in your superannuation account with us. Insurance isn't offered in the retirement income stream.

Additional declarations for external transfers

- I understand that I may ask my FROM fund for information about fees or charges that may apply, or any other information about the effect this transfer may have on my benefits, and have obtained or do not require such information.
- I discharge the superannuation provider of my FROM fund from all further liability in respect of the benefits paid and transferred to Aware Super.
- I request and consent to the transfer of superannuation as described in this form and authorise the FROM fund to give effect to this transfer.
- I authorise Aware Super and its administrator to request and receive information from the FROM fund.
- I understand the benefits will be transferred to my superannuation account and not directly to my retirement income stream.

5.2 If you want to contribute extra money before you start

Once you start a retirement income stream, you can't add money to it. If there are any outstanding contributions that are to be added to your account before starting your retirement income stream, please record the details here:

Approximate amount	Expected date of contribution
$, ,	/ /
$, ,	/ /

If you are combining superannuation accounts, it can take an extra 5 business days to complete. If you transfer the whole benefit, any insurance you hold will be cancelled.

5.3 If you want to combine other Aware Super accounts

If you have any other Aware Super accounts (including existing retirement income stream accounts) you want to combine to start your new retirement income stream, nominate the accounts and amounts below.

Account number	Amount to transfer
	☐ Whole benefit **OR** $, ,
	☐ Whole benefit **OR** $, ,

We will transfer these amounts to your superannuation account just before we start your retirement income stream.

Remember to keep your superannuation account open (with a minimum of $1500) if you have insurance you want to keep.

6. How much do you want to invest in your income stream?

Once any other money you nominate in Section 5 has been added to your account, we will start your new retirement income stream with the amount you nominate below. Please record the total amount you want to use to start your retirement income stream (including amounts nominated in Section 5).

☐ My whole benefit (this will close my accumulation account)

☐ My balance less $1,500 (to keep my account open)

☐ My full unrestricted non-preserved amount; **or**

☐ The following amount $, , .

If you don't choose an investment option, you will be invested in the Balanced Growth option (which is the trustee's default option).

7. Investment options and drawdown choices

7.1 Your investment options

☐ **TRUSTEE'S DEFAULT OPTION**
If you choose the TRUSTEE'S DEFAULT OPTION, please do not fill in any of the INVESTMENT OPTIONS boxes below.

OR

☐ **INVESTMENT OPTIONS**
Please choose one or more of the investment options shown below by recording the percentage next to your chosen option(s). You can only nominate **whole percentages** and your total choices **must add up to 100%.**

DIVERSIFIED		SINGLE ASSET CLASS	
High Growth	%	Australian Equities	%
Growth	%	Australian Equities SRI	%
Diversified SRI	%	International Equities	%
Balanced Growth	%	Property	%
Conservative Growth	%	Australian Fixed Interest	%
		International Fixed Interest	%
		Cash	%

If you don't make a choice, the pro-rata method will apply.

7.2 Your drawdown choices

If you invest in more than one Investment option, you can choose how your regular payments are made.

☐ Pro-rata
Payments will be drawn from each investment option in proportion to the balance in each option.

☐ Priority
Your payments will be deducted in the order you nominate under Priority in the table below. When your first choice has been fully drawn, we will draw from your second choice and so on. **Please number all your chosen investment options.**

DIVERSIFIED	Priority	SINGLE ASSET CLASS	Priority
High Growth		Australian Equities	
Growth		Australian Equities SRI	
Diversified SRI		International Equities	
Balanced Growth		Property	
Conservative Growth		Australian Fixed Interest	
		International Fixed Interest	
		Cash	

Percentage
This is only available online once your account is set up and you are registered for online access.

8. Reversionary beneficiary nomination (spouse only)

If you would like your retirement income stream to continue to be paid to your spouse after you die, complete this section to nominate your spouse as your reversionary beneficiary. Alternatively, you can make a binding or non-binding death benefit nomination. The forms to complete to make either a binding or non-binding nomination are available on our website at **aware.com.au/forms**, and from customer service. See the **Notes** for more information.

Title

Date of birth (DD-MM-YYYY)

☐ Male ☐ Female ☐ Other ☐ Unspecified

Spouse's last name

Spouse's given name(s)

9. Payment frequency and amount

Payment frequency

I would like to receive my income stream payments (mark ✗ to indicate your choice):

☐ Fortnightly (every second Wednesday)

☐ Monthly (12th of the month)

☐ Quarterly (12th of Sept, Dec, March, June)

☐ Half-yearly (12th of June and Dec **OR** nominate two months that are six months apart below)

and

☐ Yearly (12th of June **OR** nominate your preferred month below)

First payment

It can take up to 10 business days once we have your form(s) and funds before we can make your first income stream payment.

If you would like to defer your first payment beyond this, please nominate the month you would like to first receive payment:

☐ I would like to defer my first payment until the following month:

IMPORTANT!
See the **Notes** for information about the minimum annual amount.

Payment amount

☐ Minimum annual amount

☐ Specific amount of $, . (gross amount per payment frequency)

10. Your bank account details

Please nominate an Australian bank account for your payments to be paid to. You can only nominate an account that is held in your name, or held jointly in your name with other person(s). You must provide proof of identity if you are setting up or updating your bank account information.

Name(s) on account

Name of bank or financial institution

Name of branch

Bank account number

BSB number

11. Proof of identity

Please mark (✗) in one of the options below.

☐ I have previously provided certified proof of identity documents or provided the electronic verification information below to Aware Super **and** I am not changing my name, providing bank details for the first time or changing a previously nominated bank account.

☐ I will provide proof of identification for electronic verification.

Please provide any TWO of the following:

IMPORTANT!
See the **Notes** for details of the people who are authorised to certify copies of your documents.

1. Full name **exactly** as it appears on my Medicare card

My Medicare number is

Valid to M M - 2 0 Y Y

My reference number on this card is

Select your Medicare card colour ☐ Green ☐ Blue ☐ Yellow

If providing your driver's licence details in this step, your driver's licence number and driver's licence card number must be provided for Aware Super to complete Proof of Identification checks for those Australian States and Territories where the card number is a mandated requirement. Visit **aware.com.au/proofid** for further information on whether your State/Territory has this as a mandated requirement.

11. Proof of identity (continued)

2. Full name **exactly** as appears on my driver's licence

Licence number

Driver's licence card number

State of issue

Expiry date D D - M M - 2 0 Y Y

3. My **Australian** passport number is

Place of birth (as shown on your passport)

Country of birth (not shown on your passport)

Family name at birth (not shown on your passport)

☐ I will provide original, certified proof of identity (POI) documents. For a list of POI documents and certification guidelines, refer to the **Notes** section. If my POI documents have not been certified correctly, I understand Aware Super may use the information on the documents to verify my identity electronically using independent data sources.

12. Privacy

The personal information provided on this form is collected by and held for Aware Super by the fund administrator, Mercer Administration, in accordance with the Australian Privacy Principles of the *Privacy Act 1988* (Cth), for the purpose of administering accounts and providing services associated with fund membership. For further information about how personal information is handled, please call us on **1300 650 873** or visit **aware.com.au/privacy** to view the privacy policy (a hard copy of the policy may also be provided on request). The policy contains information about access to and correction of personal information, how a complaint can be made about a privacy breach and other important information about how personal information is collected, used and disclosed.

Please sign and date form here.

13. Declaration

- I have read and understand the Aware Super *Member Booklet* for retirement income stream members that contained this application form and accept the rules and risks outlined in the booklet and I agree to be bound by the trust deed and rules of Aware Super.
- I have read and considered the relevant target market determination (TMD) available at **aware.com.au/TMD**.
- I confirm that I have received and accept the offer to join in Australia and I am not a temporary resident[1] of Australia.
- I confirm that all information supplied by me in my application is accurate and complete and I will notify the trustee immediately if any of this information changes.
- If I have requested the trustee arrange for the transfer of benefits from other fund(s), I make the additional declarations noted in Section 5.1 of the form.
- I have read and understand the Aware Super privacy policy.
- I authorise the use of my personal details, for the purpose of electronic data verification. I understand that my information will be used to verify my identity electronically using independent data sources.

[1] A temporary resident is a holder of a temporary visa under the Migration Act 1958, other than a retirement visa holder (subclass 405 or 410), who is not a citizen or permanent resident of Australia or a New Zealand citizen.

Signature

Date signed (DD-MM-YYYY)

Send the form to this address.

Before you send your documents, **please make sure you have read the checklist on page 11**.

14. Where to send your completed form

Return the completed form to **Aware Super PO Box 1229 WOLLONGONG NSW 2500**. If you have any questions, please call us on **1300 650 873**.

IMPORTANT! If you are under age 60, please complete the *Tax file number declaration* on the next page to avoid paying extra tax. If you would like to claim the Seniors and pensioners tax offset, you will also need to complete the *Withholding declaration* (NAT 3093), available from the ATO.

For internal use only

Internal use only for Aware Super advisers
Adviser name
Regional office
Regional office email address
Phone number

Save form Print form Clear form

Tax file number declaration

This declaration is **NOT** an application for a tax file number.

To be signed by the PAYEE and returned to the PAYER

- Read all the instructions provided by the payer before you complete this declaration.

Payer Aware Super **ABN (or WPN)** 53 226 460 365

1 What is your tax file number (TFN)?

2 What is your name?

Title: Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other

Surname or family name

First given name

Other given names

3 What is your home address in Australia?

Suburb/town

State/territory

Postcode

4 If you have changed your name since you last dealt with the ATO, show your previous name details.

Surname or family name

First given name

Other given names

5 What is your date of birth? Day / Month / Year

6 On what basis are you paid?

Full time employment ☐ Part time employment ☐ Labour hire ☐ Superannuation or annuity income stream X Casual employment ☐

7 I am

An Australian resident for tax purposes ☐ A foreign resident for tax purposes ☐ A working holiday maker ☐

8 Do you want to claim the tax-free threshold from this payer?

No ☐ **Yes** ☐

Only claim the tax-free threshold from one payer at a time, unless your total income from all sources for the financial year will be less than the tax-free threshold. Answer no here if you are a foreign resident or working holiday maker, except if you are a foreign resident in receipt of an Australian Government pension or allowance.

9 (a) Do you have a Higher Education Loan Program (HELP), Student Start-up Loan (SSL) and/or Trade Support Loan (TSL) debt?

No ☐ **Yes** ☐ If **Yes** your payer will withhold additional amounts to cover any compulsory repayment that may be raised on your notice of assessment

(b) Do you have a Financial Supplement (SFSS) debt?

No ☐ **Yes** ☐ If **Yes** your payer will withhold additional amounts to cover any compulsory repayment that may be raised on your notice of assessment.

DECLARATION by payee: *I declare that the information I have given is true and correct.*

Signature

Date

Day / Month / Year

N.B. There are penalties for deliberately making a false or misleading statement

NAT 74911-06.2017

In confidence (when completed)

Save form Print form Clear form

Instructions for completing the ATO's *Tax file number declaration* form

Information you provide in this declaration will allow your payer to work out how much tax to withhold from payments made to you.

Question 1

What is your tax file number (TFN)?

You should give your TFN to your employer only after you start work for them. Never give your TFN in a job application or over the internet.

The ATO and your payer are authorised by the Taxation Administration Act 1953 to request your TFN. It's not an offence not to quote your TFN. However, quoting your TFN reduces the risk of administrative errors and having extra tax withheld. Your payer is required to withhold the top rate of tax from all payments made to you if you do not provide your TFN or claim an exemption from quoting your TFN.

How do you find your TFN?

You can find your TFN on any of the following:

- your income tax notice of assessment
- correspondence the ATO sends you
- a payment summary your payer issues to you.

If you have a tax agent, they may also be able to tell you your TFN. If you still can't find your TFN, you can:

- phone the ATO on 13 28 61 between 8.00am and 6.00pm, Monday to Friday
- visit your nearest shopfront (phone the ATO on 13 28 61 to make an appointment).

If you phone or visit the ATO, they need to know they are talking to the correct person before discussing your tax affairs. The ATO will ask you for details only you, or your authorised representative would know.

What if you don't have a TFN?

If you don't have a TFN and want to provide a TFN to your payer, you will need to apply for one. For more information, visit ato.gov.au/tfn

Claiming an exemption from quoting your TFN

You can claim an exemption from quoting your TFN if you:

1. have lodged a TFN application form or made an enquiry to obtain your TFN. You now have 28 days to provide your TFN to your payer, who must withhold at the standard rate during this time. After 28 days, if you have not given your TFN to your payer, they will withhold the top rate of tax from future payments
2. are claiming an exemption from quoting a TFN because you are under 18 years of age and do not earn enough to pay tax, or you are an applicant or recipient of certain pensions, benefits or allowances from the:
   - Department of Human Services – however, you will need to quote your TFN if you receive a Newstart, Youth or sickness allowance, or an Austudy or parenting payment
   - Department of Veterans' Affairs – a service pension under the Veterans' Entitlement Act 1986
   - Military Rehabilitation and Compensation Commission.

If you want to claim an exemption for one of these reasons, please enter 1 or 2 in the box at Question 1.

Providing your TFN to your super fund

Your payer must give your TFN to the super fund they pay your contributions to. If your super fund does not have your TFN, you can provide it to them separately. This ensures:

- your super fund can accept all types of contributions to your accounts
- additional tax will not be imposed on contributions as a result of failing to provide your TFN
- you can trace different super accounts in your name.

For more information about providing your TFN to your super fund, visit ato.gov.au/supereligibility

Question 2-5

Complete with your personal information.

Question 6

On what basis are you paid?

Check with your payer if you are not sure.

Question 7

Are you an Australian resident for tax purposes?

Generally, the ATO consider you to be an Australian resident for tax purposes if you:

- have always lived in Australia or you have come to Australia and now live here permanently
- are an overseas student doing a course that takes more than six months to complete
- migrate to Australia and intend to reside here permanently.

If you go overseas temporarily and do not set up a permanent home in another country, you may continue to be treated as an Australian resident for tax purposes.

Foreign resident tax rates are different

A higher rate of tax applies to a foreign resident's taxable income and foreign residents are not entitled to a tax-free threshold nor can they claim tax offsets to reduce withholding, unless you are in receipt of an Australian Government pension or allowance.

To check your Australian residency status for tax purposes or for more information, visit ato.gov.au/residency

Question 8

Do you want to claim the tax-free threshold from this payer?

The tax-free threshold is the amount of income you can earn each financial year that is not taxed. By claiming the threshold, you reduce the amount of tax that is withheld from your pay during the year.

Answer **yes** if you want to claim the tax-free threshold, you are an Australian resident for tax purposes, and one of the following applies:

- you are not currently claiming the tax-free threshold from another payer
- you are currently claiming the tax-free threshold from another payer and your total income from all sources will be less than the tax-free threshold.

Answer **yes** if you are a foreign resident in receipt of an Australian Government pension or allowance.

Otherwise answer **no**.

If you receive any taxable government payments or allowances, such as Newstart, Youth Allowance or Austudy payment, you are likely to be already claiming the tax-free threshold from that payment.

For more information about the current tax-free threshold, which payer you should claim it from, or how to vary your withholding rate, visit ato.gov.au/taxfreethreshold

Question 9

a) Do you have a Higher Education Loan Program (HELP), Student Start-up Loan (SSL) or Trade Support Loan (TSL) debt?

Answer **yes** if you have a HELP, SSL or TSL debt. Answer **no** if you do not have a HELP, SSL or TSL debt, or you have repaid your debt in full. You have a HELP debt if either:

- the Australian Government lent you money under HECS-HELP, FEE-HELP, OS-HELP, VET FEE-HELP or SA-HELP.
- you have a debt from the previous Higher Education Contribution Scheme (HECS).

b) Do you have a Financial Supplement debt?

Answer **yes** if you have a Financial Supplement debt. Answer **no** if you do not have a Financial Supplement debt, or you have repaid your debt in full.

For information about repaying your HELP, SSL, TSL or Financial Supplement debt, visit ato.gov.au/getloaninfo

Have you repaid your HELP, SSL, TSL or Financial Supplement debt?

When you have repaid your HELP, SSL, TSL or Financial Supplement debt, you need to complete a *Withholding declaration* (NAT 3093) notifying your payer of the change in your circumstances.

Sign and date the declaration

Make sure you have answered all the questions, then sign and date the declaration. Give your completed declaration to your payer to complete.

Notes

Before you make a decision about investing in a retirement income stream, you should read the current *Member Booklet*. The *Member Booklet* is available on our website and it is also available free of charge by contacting us.

Your tax file number details

Please make sure you read the information about tax file number (TFN) disclosure on page 37 of this *Member Booklet*.

If you are 60 or more, you can provide your TFN in Section 1 of the application form.

If you are under 60, you will need to provide your TFN and answer the questions in the *Tax file number declaration* **that follows page 6.** Please read the notes on the back of this form before completing the form. If you don't provide your TFN on this form, we must tax the taxable component of your payments at the highest marginal tax rate (plus Medicare levy). The information you provide allows us to determine the amount of PAYG tax to deduct from payments made to you. It is not compulsory to supply your tax file number. If you need any help completing these questions give us a call or visit the ATO website **ato.gov.au/forms** and search for 'tax file number'.

How will your income stream be set up?

Your Aware Super superannuation account

The money you wish to use to start a retirement income stream must be held in an Aware Super superannuation account before you can start a retirement income stream.

If you have an existing superannuation account with us or you open a new account online, please provide your member and account numbers, otherwise attach a copy of your application to open a personal account. This is the account we will use to start your retirement income stream.

Bring your money together (consolidate) before you start

You need a minimum of $20,000 to set up your Aware Super retirement income stream.

You can start a retirement income stream using money from a number of different sources, including different super sources (e.g. money from other super funds and other income streams) and non-super sources (e.g. term deposits or the proceeds from the sale of shares and property).

If you have other super account balances or non-super money that you would like to use to set up your retirement income stream, you should first bring all these amounts together into your Aware Super accumulation account. You can transfer money from other super funds into your Aware Super accumulation account online at **aware.com.au/combine**. Alternatively, you can nominate the super you want to consolidate on the form and we will arrange the rest for you.

Investment options and drawdown choices

Investment options

See **Your investment options** on page 13 of the *Member Booklet* for information about the investment options available.

Drawdown choices

If you invest in more than one investment option, you can choose which options your income payments will be drawn from first, second, third, etc. When your first choice has been fully drawn, we will draw your income stream from your second choice and so on. **You must nominate a priority for all your chosen options or we will not be able to accept your drawdown nomination.**

You can also draw income payments from your investment options as a percentage. You can only set this up online so you'll have to register for online access once your account has been set up then log in to your account to record your percentages.

If you don't choose either of these methods, the pro-rata method will be applied. This means payments will be drawn from your investment options in the same proportion that they are invested on the date the payment is made. For example, if you have 30% in High Growth and 70% in Growth, then 30% of your income stream payment will be drawn from the High Growth option, and 70% from the Growth option.

Reversionary beneficiary nomination

You can choose what happens to your retirement income stream if you die. Your death benefit nomination options are:

- a reversionary nomination; or
- a binding nomination; or
- a non-binding nomination.

If you nominate your spouse as your reversionary beneficiary, your retirement income stream will continue to be paid to your spouse (if your beneficiary is still your spouse at the time of your death and has not permanently separated from you). Your spouse has the option of commuting the income stream account and taking it as a lump sum. If your spouse changes, you can nominate your new spouse as your reversionary beneficiary by completing a new *Income stream death benefit nomination* form.

Alternatively, you can make either:

- a binding death benefit nomination. If the nomination is valid, it binds the trustee to pay your benefit to your nominated beneficiaries; or
- a non-binding nomination. A non-binding nomination records your beneficiary preferences but the trustee has the final decision about the distribution of your benefit.

Please refer to the *Member Booklet* for information on nominating beneficiaries. If you wish to make a binding or non-binding nomination, you must complete the appropriate nomination form available on our website at **aware.com.au/forms**, and from customer service.

Payment frequency and amount

Payment frequency

You can receive your payments fortnightly, monthly, quarterly, half yearly or yearly. If you start your retirement income stream in the month of June, you can elect to start the payments in the following financial year.

It can take up to 10 business days once we have the form(s) (and money) to start your retirement income before we can make your first income stream payment. However, if you need your first payment urgently, please contact us. You can also ask us to defer your first payment until later in the year if you are setting up your retirement income stream in advance of needing payments. But remember, you must take at least the minimum payment amount for the financial year.

Payment amount

You can choose the amount of income stream payments you receive each financial year, provided you receive the minimum payment amount set by the government. The amount you nominate is a gross amount, i.e. before any tax is deducted (if applicable). You must nominate the amount you would like to receive each payment. We will send you a letter in July each year that tells you the minimum amount you must withdraw. After you receive this letter, if you want to change the amount, you can tell us the amount you wish to receive for that financial year.

Minimum payment limit

The minimum payment limit is calculated as a percentage of your account balance based on your age, rounded to the nearest $10. Your age, the minimum payment limit and your account balance are calculated at the time the retirement income stream starts, then on 1 July each subsequent year. If you start your retirement income stream part way through a financial year, the minimum payment limit for the first year will be reduced on a pro-rata basis based on the number of days between your retirement income stream start date and the end of the financial year.

The minimum payment limits are:

Age at start of retirement income stream (and 1 July each year)	Minimum limit (percentage) for the 2022/23 financial year	Minimum limit (percentage) from 2023/24 financial year
Under 65	2%	4%
65-74	2.5%	5%
75-79	3%	6%
80-84	3.5%	7%
85-89	4.5%	9%
90-94	5.5%	11%
95+	7%	14%

Your bank account details

Under superannuation law, we must pay your income stream payments into an account in your name or a joint account you hold with another individual(s). We can't make payments to a third party bank account.

Proof of identity (POI)

We require proof of your identity before we can start your retirement income stream. If you have already provided proof of identity you do not have to provide it again, as long as you don't change your name or the bank account you've nominated to receive payments and withdrawals. If either of these have changed you must provide proof of identity in order for us to verify the change(s):

Change of name

If you have changed your name, you must provide a certified copy of one of the following name change documents:

marriage certificate or certificate of registration (if you are on the relationship register) issued by the Births, Deaths and Marriages Registration Office (ceremonial certificates cannot be accepted)

deed poll or change of name certificate from the Births, Deaths and Marriages Registration Office. If you have reverted to your maiden name, we will require your marriage certificate (from the Births, Deaths and Marriages Registration Office) showing your original maiden name and your married name.

Change of bank account details

You need to provide proof of identity documents when setting up or updating the bank account you're nominating to receive payments into. You can provide your identification for electronic verification in the proof of identity step of this form. Alternatively, you can provide certified proof of identity.

Power of attorney

If you are starting a retirement income stream on behalf of the member as the holder of their Power of Attorney, you must provide certified copies of POI documents for yourself and the member.

Updated and additional POI

We may request updated and/or additional certified POI documents at any time if we consider this is necessary for the security of our members' benefits.

Providing electronic proof of your identity

To verify your identity electronically, you can provide two government-issued identification documents - such as your Australian Passport, Driver's Licence and Medicare Card within the proof of identify step of this form. Alternatively, you must provide certified proof of identity document(s). Refer to the acceptable documents list below.

Acceptable documents and certification

The primary and secondary documents we accept are shown below. The people who can certify these documents are also shown on the next page.

Providing certified POI is a three-step process:

1 Collect your originals

Collect your proof of identity document(s). We have listed the documents you can use below.

2 Photocopy your originals

3 Have your copies certified

Take your copies and your original documents to a person who can certify documents. A list of authorised certifiers and certification guidelines is included under **Certification of personal documents**.

You can provide:

Either:

A certified copy of one of the following documents:

- A current drivers licence with a photograph, issued in Australia or under the authority of a foreign country.*
- An Australian passport (if expiry is less than 2 years old)
- A current Australian state/territory proof of age card containing your photograph
- A current passport, similar travel document or national identity card issued by a foreign government department, the UN or an agency of the UN, containing your photograph and either your signature or a unique identifier*

Or:

One certified document from this list:

- A birth certificate issued by a state or territory of Australia, by a foreign government, or by the United Nations or an agency of the United Nations*
- A citizenship certificate issued by the Commonwealth or a foreign government*
- A current Centrelink pension card that entitles you to receive financial benefits

AND

One certified document from this list:

- A notice issued by the ATO within the last 12 months that shows your name and current residential address and records an amount payable to or by you e.g. your last tax assessment
- A notice issued by a local council or utilities provider in the last three months showing the provision of services to you and your current residential address e.g. rates notice, electricity or water bill
- A notice issued by the Commonwealth or a state or territory government within the last 12 months showing your name and current residential address and the provision of financial benefits to you e.g. Centrelink letter
- If you're under 18, you can provide a student card, or a letter from a school principal. The letter must include the date it was issued (within three months of providing your proof of ID), your name, residential address and the dates you attended the school.

*If the document and/or the certification is not written in English, it must be accompanied by an English translation prepared by a translator accredited by the National Accreditation Authority for Translators and Interpreters Ltd (NAATI). If you are unable to provide these documents, please call us to discuss alternatives.

Certification of personal documents

All copied pages of original POI documents (including any change of name documents) need to be certified as true copies by an authorised person with the appropriate qualifications or registration (see below) who cannot be the owner or addressee of the document. The authorised person must sight the original and the copy to ensure both documents are identical, then make sure all pages have been certified by writing "I certify that this document is a true copy of the original", followed by their signature, printed name, qualification (e.g. justice of the peace, Australia Post employee, etc.) and date.

If you are in Australia

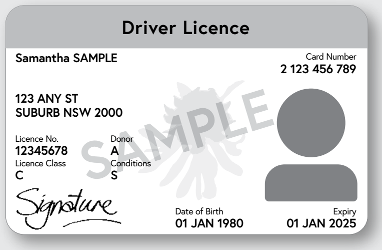
The following people can certify copies of the originals:

- Australia Post employee in charge of an office providing postal services (charges may apply)
- chiropractor
- dentist
- financial adviser or financial planner
- full-time or part-time teacher employed at a school or tertiary institution
- justice of the peace
- legal practitioner
- magistrate
- medical practitioner
- nurse
- optometrist
- pharmacist
- physiotherapist
- police officer
- psychologist
- veterinary surgeon.

Samantha Sample has provided a copy of her identification. It includes her **signature**, **full name**, **date of birth** and **current residential address**.

The authorised person has sighted the original identification and confirmed that the copy is a true copy.

Details for the authorised person to include are full name, address, qualification, registration number (if applicable), date and signature.



I certify that this document is a true copy of the original.

K Anderson

Name: Kate Anderson

Address: 6 Some St Suburb NSW 2000

Qualification: JP

Registration no: 123456

Date: 30 September 2022

If you are providing a certified copy of your driver's licence, please ensure this copy contains the card number which may be located on the back of your card.

If you are outside Australia

The following people can certify copies of the originals:

- consular staff at an Australia Embassy, High Commission or Consulate
- a public notary or other person authorised to administer an oath or affirmation or to authenticate documents in the country you are visiting or living in.

The professions listed under **If you are in Australia** can only certify documents outside Australia if:

- they are also authorised to certify documents in the overseas country you are visiting or living in, or
- if this is not the case, if they work or are registered in Australia.

Where your documents are certified outside Australia, the certifier must quote their registration number or the relevant law that qualifies them to authenticate your documents. If the document and/or the certification is not in English, it must be accompanied by an English translation prepared by a translator accredited by the National Accreditation Authority for Translators and Interpreters Ltd (NAATI).

Checklist

Before you send your documents, please make sure you have:

- ☐ Read and understood the *Member Booklet.*
- ☐ Opened a superannuation account (or attached an application to join) if you're not an existing member.
- ☐ Transferred funds online or nominated the fund(s) and amount(s) you would like us to consolidate for you before you start your retirement income stream.
- ☐ Provided details of amounts you wish to contribute or consolidate from other Aware Super accounts.
- ☐ Confirmed your investment and drawdown choice (if applicable).
- ☐ Nominated your chosen payment amount and frequency.
- ☐ Read, understood, signed and dated the Declaration.
- ☐ Completed the Proof of Identity step of this form.
- ☐ Completed the *Tax file number declaration* if you're under age 60.
- ☐ Made a reversionary, binding or non-binding death benefit nomination and attached a completed copy of the relevant death benefit nomination form if you have made a binding or non-binding nomination.
- ☐ If you made personal contributions to Aware Super this or last financial year, sent us your *Notice of intent to claim or vary a deduction for personal super contributions* form, if relevant. Once the contributions are used to start a retirement income stream, you will not be able to advise us that you would like to claim a tax deduction for the contributions.

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Contact us

Phone 1300 650 873
Web aware.com.au/contact
Post PO Box 1229, Wollongong NSW 2500