

# Notes to your Annual statement



The *Notes to your Annual statement* and your accompanying *Annual statement*, combined make up your statement.

## Income account

The following contains further information relevant to your *Income account* as well as descriptions of some of the possible items that could appear in a statement. If there are items detailed in these Notes that don't appear on your statement, don't be alarmed. This simply means they aren't relevant to you for this year.

If you would like any information on the items which appear in your statement, please contact us on **13 11 84**.

## Sunsuper 2017 Annual report

Super funds are able to provide members with their annual report by making it available on their website. From early October 2017, the *Sunsuper 2016-17 Annual report* will be available at [sunsuper.com.au/annualreport](http://sunsuper.com.au/annualreport). If you would prefer a printed copy free of charge, please contact us and we will send you one.

## Product and legislative changes

We announced a variety of product and legislative changes in our *Product update 2017*, which included:

- important legislative changes effective 1 July 2017,
- investment changes, and
- other important product changes, including a reduction in *Income account* administration fees.

For a copy of the *Product update 2017*, visit [sunsuper.com.au/pdsupdates](http://sunsuper.com.au/pdsupdates)

Other changes and important information are outlined below. Where applicable, these changes will be reflected in the 30 September 2017 *Product Disclosure Statements (PDSs)*. The *PDSs* and *guides* are available at [sunsuper.com.au/pds](http://sunsuper.com.au/pds) or your *Corporate* or *Business* plan microsite.

### Income account - naming convention change

In order to make things easier to understand we have changed the naming convention for our *Income accounts* as detailed below.

Current name	New name
<i>Income account - Retirement</i>	<i>Retirement income account</i>
<i>Income account - Transition to Retirement</i>	<i>Transition to retirement income account</i>

These changes will be applied to the 30 September 2017 *PDSs* and *guides*.

### Information about 2016/17 Investment fees

Performance fees for options that have an allocation to Australian Shares may be higher than estimated for 2016-17, due to outperformance achieved by some fund managers. This may impact the overall fees for the Australian Shares option, Balanced option, Growth option, Conservative option, Retirement option and Shares option. Actual fees for 2016/17 for all of Sunsuper's investment options will be shown in the *Annual report*.

### Changes to asset allocation

The following table highlights the change in the strategic asset allocations (SAA) and allowable ranges for the Balanced - Index option effective 30 September 2017.

Asset Class	Current to 29 Sept 2017		From 30 Sept 2017	
	SAA	Ranges	SAA	Ranges
Australian shares	31%	29 - 37%	28%	20 - 40%
International shares	31%	21 - 37%	42%	30 - 50%
Property	8%	4 - 14%	0%	0 - 20%
Fixed Interest	30%	21 - 36%	30%	20 - 35%
Cash	0%	0 - 7%	0%	0 - 10%

### Changes to performance benchmark

The following table highlights the change to the weighted benchmark for the Balanced - Index option effective 30 September 2017.

Current to 29 Sept 2017	From 30 Sept 2017
S&P/ASX 300 Index (Australian shares)	S&P/ASX 300 Index (Australian shares)
MSCI World ex-Australia Index Net in \$A (International shares)	MSCI World ex-Australia Index Net in \$A (International shares)
MSCI World ex-Australia Small Cap Index Net in \$A (International shares)	MSCI World ex-Australia Small Cap Index Net in \$A (International shares)
MSCI EM Index Net in \$A (International shares)	MSCI World ex-Australia Index Hedged to \$A (International shares) MSCI EM Index Net in \$A (International shares)
S&P/ASX 300 A-REIT Index (Property)	N/A
FTSE EPRA/NAREIT Developed ex Australia Rental Index, hedged to \$A (Property)	N/A
Bloomberg AusBond Composite 0+ Yr Index (Cash & Fixed Interest)	Bloomberg AusBond Composite 0+ Yr Index (Cash & Fixed Interest)
Barclays Global Treasury Index, hedged to \$A (Fixed Interest)	Bloomberg Barclays Global Aggregate Index hedged to \$A (Fixed Interest)
Barclays Global Aggregate Government-Related and Corporate Index, hedged to \$A (Fixed Interest)	

### Risk measure

The following table highlights the decrease in risk measures for the Property option effective 30 September 2017.

Risks	Current to 29 Sept 2017	From 30 Sept 2017
Expected number of years of negative returns over any 20 year period:	4 to less than 6	3 to less than 4
Risk Label	High	Medium to High
Risk Band	6	5

## Correction to Capital Guaranteed investment objective

The following table corrects the investment objective provided on page 23 of the *Sunsuper for life Investment guide* (Issue date: 1 July 2016).

Investment option	Investment objective	Correction
Capital Guaranteed	Beat the performance benchmark before investment tax <sup>2</sup> but after Investment fees and costs over rolling 3-year periods. <b>Performance benchmark:</b> Bloomberg AusBond Bank Bill Index after investment tax (where applicable) <sup>2</sup>	Beat the performance benchmark, after investment tax (where applicable) <sup>2</sup> and investment fees and costs over rolling 3-year periods. <b>Performance benchmark:</b> Bloomberg AusBond Bank Bill Index after investment tax (where applicable) <sup>2</sup>
	<sup>2</sup> No investment tax generally applies for <i>Income accounts</i> .	

Please note that from 1 July 2017 *Transition to retirement income accounts* investment earnings are taxed at up to 15%, the same rate applicable to *Super-savings accounts*. *Retirement income account* investment earnings remain tax-free.

## Investment returns

Returns to 30 June 2017 for <i>Income accounts</i>								
		Commencement Date	Since commencement (%p.a)*	1 Year (%p.a.)	3 Years (%p.a.)	5 Years (%p.a.)	7 Years (%p.a.)	10 Years (%p.a.)
DIVERSIFIED OPTIONS	<b>Growth</b>	n/a	n/a	15.6%	10.0%	12.6%	10.4%	5.2%
	<b>Balanced</b>	n/a	n/a	13.6%	9.3%	11.9%	9.9%	5.9%
	<b>Retirement</b>	n/a	n/a	10.6%	7.5%	9.2%	8.0%	5.3%
	<b>Conservative</b>	n/a	n/a	7.9%	6.3%	7.5%	7.1%	5.9%
	<b>Balanced - Index</b>	01-Jul-10	9.6%	8.8%	8.8%	11.8%	9.6%	n/a
SINGLE ASSET CLASS OPTIONS	<b>Shares</b>	01-Jul-10	10.5%	17.6%	8.7%	13.6%	10.5%	n/a
	<b>Australian Shares</b>	n/a	n/a	15.4%	8.0%	12.9%	9.9%	4.9%
	<b>Australian Shares - Index</b>	n/a	n/a	15.4%	8.2%	12.8%	9.7%	4.2%
	<b>International Shares (hedged)</b>	n/a	n/a	23.3%	10.5%	15.4%	13.5%	4.6%
	<b>International Shares (unhedged)</b>	01-Jul-10	10.3%	19.1%	10.8%	15.3%	10.3%	n/a
	<b>International Shares - Index (hedged)</b>	n/a	n/a	21.1%	10.0%	15.8%	14.9%	6.1%
	<b>International Shares - Index (unhedged)</b>	01-Jul-10	13.5%	15.2%	13.5%	18.8%	13.5%	n/a
	<b>Emerging Markets Shares</b>	01-Jul-10	4.1%	19.6%	5.0%	8.6%	4.1%	n/a
	<b>Property</b>	09-Aug-07	4.1%	6.2%	9.1%	11.0%	10.7%	n/a
	<b>Australian Property - Index</b>	n/a	n/a	-5.4%	12.3%	14.2%	12.5%	0.4%
	<b>Fixed Interest</b>	01-Jul-10	6.1%	3.9%	3.9%	5.1%	6.1%	n/a
	<b>Fixed Interest - Index</b>	n/a	n/a	-0.3%	5.3%	5.4%	6.2%	7.3%
	<b>Cash</b>	n/a	n/a	2.4%	2.7%	3.1%	3.8%	4.3%
SPECIAL OPTIONS	<b>Ethical, Environmental &amp; Socially Responsible</b>	01-Jul-10	8.6%	9.2%	6.9%	10.5%	8.6%	n/a
	<b>Capital Guaranteed</b>	n/a	n/a	2.8%	4.2%	4.0%	4.5%	4.1%

**Note:** Past performance is not a reliable indication of future performance. Returns are after Investment fees but before all fees and costs. A super fund's investment performance typically varies over time. Because super is a long-term investment, five and ten-year figures smooth out short-term results – for example, in a given fund over a five year period, a growth option might have a negative return for one year but a positive return for the other four years, giving an overall result that is positive for the five years. The returns shown above are not necessarily the same as the return on investments held by individual members. The actual return received by individual members will depend on the timing of payments and other transactions and the unit prices that applied on the dates those transactions took place.

\* Where an investment option has less than 10 years of performance data, the since commencement return (% p.a.) performance figure is reported. The since commencement return (% p.a.) performance figure is the actual return the option has achieved from commencement to 30 June 2017.

## Your account at a glance

### Your balance at 1 July 2016

This is the amount you had in your account at 1 July 2016. Had you left Sunsuper then, your withdrawal benefit would have been this amount less \$47, the exit fee.

### Tax deducted from gross income payments

Income payments are subject to Pay As You Go (PAYG) tax for persons under 60 years. This means that income payments from your account whilst you are under 60 years are included in your assessable income for tax purposes and are taxed at your marginal tax rate (plus Medicare levy).

### Tax deducted from gross lump sum withdrawals

Lump sum withdrawals are subject to Pay As You Go (PAYG) tax for persons under 60 years. This means that lump sum withdrawals from your account whilst you are under 60 years are included in your assessable income for tax purposes.

### Your balance at 30 June 2017

This is the amount you had in your account at 30 June 2017. Had you left Sunsuper then, your withdrawal benefit would have been this amount less \$47, the exit fee. Your balance is calculated by multiplying the number of units you have in each investment option by the unit price for each option. As the unit prices are calculated on a daily basis, the value of your account may change daily. If you are leaving Sunsuper, you should contact us to find out the value of your account at that time.

### Investment returns to 30 June 2017

This section, if included in your *Annual statement*, shows the 1, 5 and 10 year return for the investment options you were invested in as at 30 June 2017. This is not necessarily the same as the return you received as the actual return received by an individual member will depend on the timing of transactions and the unit prices that applied on the dates those transactions took place.

### Your income payments from 1 July 2017

This section shows how you have asked us to allocate payments from your account.

## Your personal details

### Beneficiaries (reversionary, binding or preferred)

This lists the people you have nominated to receive your Death benefit from your account when you die.

If you made a:

- reversionary beneficiary nomination you may amend or revoke a reversionary nomination at anytime. Your nomination is binding on the Trustee.
- binding beneficiary nomination, the Trustee has no discretion and is bound to pay your Death benefit to your nominated beneficiary(s) provided the person(s) nominated is(are) your dependant or legal personal representative, the proportion of benefit to be paid to each person is readily ascertainable, the nomination is valid and less than 3 years old, and there is no contrary court order. You may confirm, amend or revoke a binding nomination at any time.
- preferred beneficiary nomination, it acts as a guide for the Trustee, who in most cases will pay your benefits to your preferred beneficiary(s), but not always, as the Trustee has a responsibility to make sure your benefits are distributed in an appropriate manner.

It's important to regularly review your nominated beneficiaries as your life changes. For more information on the types of beneficiaries you can nominate please refer to the latest *Sunsuper for life guide*.

## Your statement in detail

### Transfers-in

This section shows the total amount deposited into your account.

### Net investment earnings

This section shows the amount of money your investment has made, or lost, over the year, after Investment fees and, where applicable, investment tax.

### Indirect costs of your investment

Investment fees were not deducted directly from your account. Instead they were paid by reducing investment earnings before the earnings were allocated to your account. These fees are disclosed as 'Indirect Costs' in your *Annual statement*. To allow you to better understand the effect of these fees on your account balance, we show them as an approximate dollar amount. The estimated indirect cost ratio for your investment in 2016/2017 is the ratio of the total indirect costs to your average account balance over the financial year.

### Income payments

This shows the total amount of payments you have received from your account, less any applicable tax.

### Lump sum withdrawals

This shows the total amount of money you have withdrawn from your account or transferred to another super fund or retirement product, less any applicable tax.

### Administration fees

The Administration fee - flat fee is generally deducted weekly. The Administration fee - percentage fee is generally deducted monthly. The Administration fees table shows the total Administration fees you paid over the 2016/2017 year.

### Other fees

This amount includes any fees for withdrawals, financial planning or family law legislation.

### Your investments

This section shows you how your money was invested.

### Important information regarding the Capital Guaranteed option

If you have money invested in the Capital Guaranteed option it is important (particularly if your account balance is \$10,000 or more) for you to read this section which highlights the low risk, low return nature of this investment option. Where investments are made into capital guarantee superannuation products issued by life insurance companies or banks, the capital guarantee is provided by the life company or bank. Sunsuper itself does not guarantee the security of capital. The Capital Guaranteed option is quite different from other investment options. While the capital value is guaranteed by the issuing life insurance companies or banks not to fall, the trade-off with this guarantee is that your longer-term returns may be lower than some less conservative options. This may limit the chances of achieving your financial goals. You may wish to consider other options that may provide higher returns over the long-term. You should also consider seeking financial advice on alternative investment arrangements before investing in or continuing to hold your funds in this option. As at 30 June 2017, the Capital Guaranteed option was invested in products issued by Sunsuper and AMP, and cash deposits with Sunsuper, Bank of China and Westpac.

☎ 13 11 84 (+61 7 3121 0700 when overseas)  
✉ GPO Box 2924 Brisbane QLD 4001  
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## Your Death benefit

Consists of your account balance at the time the benefit is paid.

## Your rebalancing nomination

This shows if you have asked us to rebalance your asset allocation. You can choose to rebalance your account once a year (your account will be rebalanced on or after 31 March each year using the 31 March unit price, where that day is a business day) or twice a year (your account will be rebalanced on or after 31 March and 30 September each year using the 31 March and 30 September unit prices respectively, where that day is a business day). Where the rebalance date (31 March or 30 September) falls on a non-business day, the rebalance will be processed using the unit price for the next business day.

## Your preservation summary

This section shows when you can access your money. For more information visit [sunsuper.com.au](http://sunsuper.com.au)

## Sunsuper app - check your super balance with one touch

Download the Sunsuper app from the App Store or Google Play for fast and simple access to your Sunsuper account. You will need to be registered for *Member Online* before you access the Sunsuper app. The Sunsuper app is not available to all *Sunsuper for life Corporate* members.

## Additional Information

We are obliged to provide you with any information on Sunsuper you reasonably require to understand your benefit entitlements. So if you would like more information on Sunsuper, or your investment options, visit [sunsuper.com.au](http://sunsuper.com.au). If you have any questions about your statement call **13 11 84**.

## MySuper Product Dashboard

The MySuper Product Dashboard is designed to provide key information to help you compare Sunsuper's investments and fees with other MySuper products and make an informed choice about your super. Our latest MySuper Product Dashboard for the Lifecycle Investment Strategy is available on our website, visit [sunsuper.com.au/dashboard](http://sunsuper.com.au/dashboard)

## Concerns and complaints

If you are unhappy with our service or super fund, we offer a complaint resolution process at no additional cost to you. Contact us to discuss your complaint:

Customer Service Team: **13 11 84**

[sunsuper.com.au/contactus](http://sunsuper.com.au/contactus)

Write to: Sunsuper Customer Relations Team  
GPO Box 2924 Brisbane QLD 4001

We will do everything we can to resolve the issue as quickly as possible. If you are still not happy or Sunsuper has not responded within 90 days, you can contact the Superannuation Complaints Tribunal (SCT). This is an independent body set up by the Federal Government to help resolve complaints through conciliation. Access to the SCT is free of charge.

They may be contacted in writing:

**Superannuation Complaints Tribunal**

Locked Bag 3060 Melbourne VIC 3001.

**Call:** 1300 884 114 **Web:** [www.sct.gov.au](http://www.sct.gov.au)

Sunsuper Pty Ltd, ABN 88 010 720 840, AFSL No. 228975, is the issuer and Trustee of the Sunsuper Superannuation Fund, ABN 98 503 137 921, USI 98 503 137 921 001, MySuper Authorisation 98 503 137 921 996.

All advice in this *Annual statement* is general advice only and does not take into account your objectives, financial situation or needs. Before acting on general advice, you should consider its appropriateness having regard to your objectives, financial situation and needs. You should consider the relevant *PDS* in deciding whether to acquire, or to continue to hold, the product. A copy of the *PDS* can be obtained by visiting [sunsuper.com.au/pds](http://sunsuper.com.au/pds), your *Corporate* or *Business* plan microsite or by calling **13 11 84**.

We make every effort to ensure that the information shown on this statement is correct. Sunsuper reserves the right to make adjustments for any errors, misprints or omissions.

We are committed to respecting the privacy of personal information you give us. Our formal Privacy Policy sets out how we do this. If you would like a copy of Sunsuper's Privacy Policy, please let us know. We have also published our Privacy Policy on our website [sunsuper.com.au/privacy-policy](http://sunsuper.com.au/privacy-policy)

To help you get the most from your super, Sunsuper may send you marketing material from time to time. If you do not wish to receive this material, please contact us on **13 11 84**.

Your 2017 statement was prepared as at the date noted on your *Annual statement*, based on information we held and transactions we had processed up to 30 June 2017 except for your nominated beneficiaries, income payment nomination and rebalancing nomination which is based on information held and processed prior to printing.

These *Notes to your Annual statement* were prepared 18 August 2017.