



ANNUAL REPORT

Goldman Sachs & JBWere
Superannuation Fund

For the year ended 30 June 2018

This annual report has been prepared and issued by BEST Superannuation Pty Ltd ABN 57 070 732 008, RSE Licence Number L0001939 as the Trustee of Goldman Sachs & JBWere Superannuation Fund ABN 55 697 537 183, Registration Number R1005271.

Information on investment returns contained in this annual report is not a promise or prediction of any particular rate or return. Past performance is not an indicator of future performance.

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1. A message from the Chairman



Angela Manning

On behalf of the Board of Directors, I am pleased to present the Trustee Report to Members for the financial year ended 30 June 2018.

A year of strong performance

Positive results for the year ended 30 June 2018 took super funds to a ninth consecutive year of positive returns. According to SuperRatings annual "SuperRatings Fund Crediting Rate Survey (Growth Options)", which analyses over 100 MySuper fund investment options, the Fund has again ranked in the top 10 performing Australian superannuation fund over rolling 5, 7 and 10 year periods to 30 June 2018[^]. The Fund proudly remains the number 1 ranked Fund in the survey over this 10 year period.

New superannuation rules take effect

Whilst the 2018 Budget announcement included a number of proposals that, if passed will impact the super industry significantly, July 2017 saw many of the major changes from the 2016 Federal Budget take effect, including:

- Annual concessional (pre-tax) contributions cap is now \$25,000
- Annual non-concessional (post-tax) contributions cap is now \$100,000
- Investment earnings of transition to retirement pension accounts (where the member is under age 65 and not retired) are now taxed at 15%
- New \$1.6 million cap on account based pension accounts

The changes as outlined above, as well as the impending changes, highlight the importance of planning for your retirement. I encourage all members to access the valuable tools that are made available to you by the Fund, including our industry-leading retirement income calculator, which enables you to estimate your projected super balance and how long it may last in retirement. For more information refer to page 20.

Royal Commission and industry accountability

The superannuation industry has come under intense scrutiny over the course of 2018 because of Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry and the Productivity Commission's review into the competitiveness and efficiency of the Australian superannuation system.

The Royal Commission shed an important light on a range of issues within the financial services industry. This scrutiny is vital and highlights for all Australians the importance of superannuation funds acting in the best interests of members. Our Fund is dedicated to maintaining the trust of our members and delivering the best possible retirement outcomes.

Fund's Investment Performance

Our long term performance results are a testament to the Fund's key investment objectives which are designed to deliver strong performance over the longer term*.

Goldman Sachs Australia Services Pty Ltd (Goldman Sachs) and National Australia Bank Limited (NAB) (for employees working principally in the JBWere business (JBWere)), are pleased with the performance of the Fund which delivered a positive return to members of 12.30% for the 2018 financial year.

1. A message from the Chairman (continued)

Your Board and advisors

I wish to thank my fellow Trustee Directors (Nell Hutton, Brian Jones, Conor Smyth, Paul Sundberg & Sean Tolpinrud), Alternate Directors (Sally Campbell, Melissa Muratore), members of the Investment Committee (Andrew Boak, Brian Jones, Curtis Reid, James Wright, Matt McNee, Matt Ross, Nell Hutton, Paul Sundberg, Sally Campbell and Stephen Sevier) and the Company Secretary (Jim Vais) for their significant contribution to the operation of the Fund over the year.

I welcome and congratulate Brian Jones, Conor Smyth and Melissa Muratore on their appointments during the year. Brian has joined us as a member-elected Director, previously serving as a participant in the Fund's Shadow Director Program. Melissa has replaced Conor Smyth as an Alternate Director following his escalation to an employer-nominated Director of the Trustee.

Finally, I thank Kate Aitken and Frank Macindoe who resigned during the year, for their terrific contribution to the Fund.

How to find out more about your Fund

The Fund's website at **www.gsjbw.superfacts.com** has all the information you need to know about your Fund and your own benefit. You can also find up-to-date general information about superannuation once you enter the website. To access specific Fund information and details of your own benefit you need to use your member number and PIN. If you have misplaced these, please call the Helpline.

If you have any questions about your superannuation, please call the Helpline on 1800 025 026 or write to the Fund Secretary (see page 25 for contact details).

Angela Manning Chairman

BEST Superannuation Pty Ltd

On behalf of the trustee of the Goldman Sachs & JBWere Superannuation Fund.

December 2018

[^] Contained in "SuperRatings Fund Crediting Rate Survey" publication dated June 2018.

* Please note that past performance is not a guide to future performance.

2. Your 2017/2018 Annual Member Statement

The Trustee must give members information about transactions and fees in their annual periodic statements.

Statements given to members include information about:

- the fees you paid, either directly by deduction of an amount from your account, or indirectly by way of an allowance in the crediting rate for the costs paid from the assets of the Fund including investment management costs; and
- details of each transaction in relation to your accounts (if any) during the period. This includes the contributions you made or that were made on your behalf and deductions made directly from your accounts.

To provide you with this, your annual information includes a combination of the following:

- Your Member Statement which includes details about your benefits, account balances and information on fees and transactions; and
- This Annual Report which includes additional information about the Fund.

Your Member Statement and the Annual Report together comprise your periodic statement for the year ended 30 June 2018.

If you have received your periodic statement electronically, and would like to receive a paper copy, please contact the Helpline on 1800 025 026 to obtain a copy free of charge.

If you have any questions about your Member Statement, please call the Helpline on 1800 025 026.

3. The Investments

Fund Performance

How the Fund performed

Annual effective rate of net earnings for 2017/18 (the actual rate of return net of tax and investment expenses)	12.30% p.a.
Compound average effective rate to 30 June 2018 (over the most recent five-year period)	
Net earnings	10.94 % p.a.
Median Return*	8.40% p.a.
Inflation rate for the year to 30 June 2018 (increase in Consumer Price Index)	2.1% p.a.

* Mercer Employee Super Balanced Growth Survey median. Please note that past performance is not a guide to future performance.

How investment returns are applied

For the accounts of members with accumulation balances, estimated monthly 'Crediting Rates' are set reflecting the monthly investment returns (which may be positive or negative).

These estimated rates are used in calculating the benefits of members who leave the Fund during the year. Final monthly rates are set at the end of the financial year and these rates are credited as at 30 June 2018. The monthly rates are applied to account balances and contributions.

Final Rates over the year were:

Accumulation Rates

2017		2018	
July	-0.64%	January	0.62%
August	0.43%	February	0.22%
September	0.68%	March	-0.89%
October	3.51%	April	2.34%
November	1.62%	May	1.43%
December	0.46%	June	1.96%

For the year ended 30 June 2018 the final Crediting Rate was 12.30% p.a.

Pension Rates

2017		2018	
July	-0.72%	January	0.66%
August	0.47%	February	0.24%
September	0.73%	March	-1.00%
October	3.90%	April	2.57%
November	1.79%	May	1.58%
December	0.49%	June	2.40%

For the year ended 30 June 2018 the final Crediting Rate was 13.81% p.a.

Investment Updates

A look at the economy and markets in 2017-2018 and what's in store for the year ahead.

The year to 30 June 2018 was a pretty good one for markets and investors with global and Australian shares posting double-digit returns. Most super fund investors enjoyed their 9th consecutive year of positive returns with both "balanced/ equity" and "growth" options averaging healthy returns of around 9%.

Superannuation research firm Chant West says Growth options – which it defines as those with 61% to 80% of their investments in growth assets – have delivered a cumulative return of over 130% since the GFC low point back in February 2009.

Despite a poor show by financial stocks, which suffered from negative investor sentiment following the Banking Royal Commission, Australian shares posted a financial-year return of 13.2% with strong results from health, energy and materials sectors. Global shares returned 10.8% on a hedged basis and 15.3% in unhedged terms. Unhedged returns were higher due to a falling Australian dollar; when the dollar drops in value, the worth of overseas assets increases.

The news was not as good for more defensive investors as central banks tightened monetary policy by raising cash rates or curbing stimulus measures. Local and overseas bonds delivered low single-digit returns for the financial year.

"Naturally, the financial year performance will get most of the attention but it's always important to look at the latest returns in a longer-term context," an industry expert says; "Super fund members have enjoyed a fantastic run with 2008/09 being the last negative year that most experienced."

3. The Investments (continued)

Global markets - a year in two halves

The first and second halves of the financial year threw up very different conditions for share markets and investors.

Markets continued their strong run of growth in the six months to December despite barriers, including growing tensions in the Korean Peninsula, conflict in Spain, two hurricanes in the US, earthquakes in Mexico and flooding South-east Asia.

The US S&P 500 Index – one of the most common benchmarks for US market performance – reached record highs in January 2018 following the passage of much anticipated personal and corporate tax cuts. But volatility returned in following months due to fears of steep rate hikes in the US and the Trump administration’s controversial trade tariffs on China as well as close allies; Canada, Mexico and the EU.

European markets were anxious as the British Parliament and EU leaders entered Brexit negotiations and Italy’s weak economy and the new coalition Italian government’s spending plans created market concerns late in our financial year.

In Australia, in line with most part of the world, economic growth continued to slowly strengthen, again supported by an upturn in business profitability and non-mining capital expenditure. Despite strong employment growth, however, the outlook for consumer spending remained subdued, with households constrained by weak wage growth and high levels of debt. Further to this, consumer sentiment took a turn for the worse in response to Banking Royal Commission findings of alleged misconduct by major Australian banks.

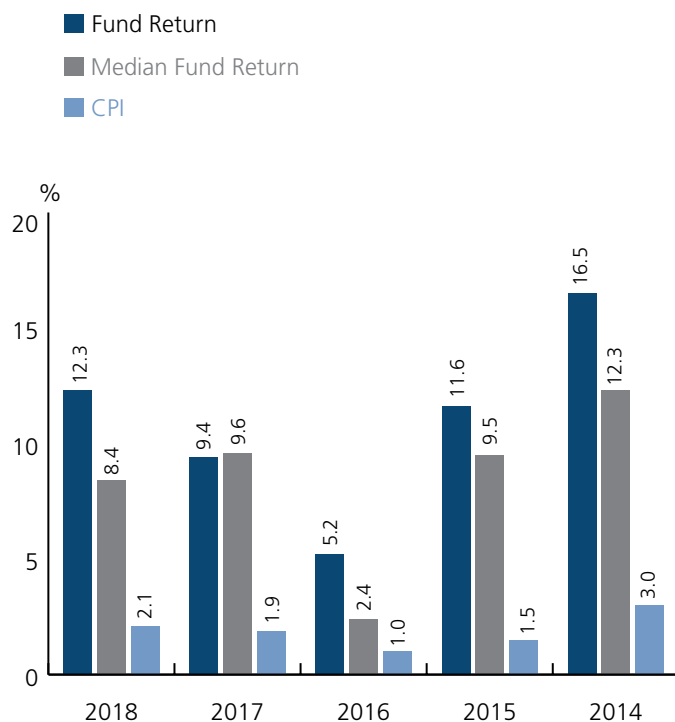
* Source: Mercer Investment.

More recently markets have seen an increase in volatility. Concerns have focused around ongoing interest rate rises in the US, China US trade tensions, softening global economic growth, and upcoming political risks in Europe (Brexit, Italian budget deficits).

We believe recession warning signs remain muted. Valuations have adjusted and equities are now more attractively priced.

Compare your Fund’s performance

The graph below shows the Fund’s annual return, which is net of investment expenses and investment tax paid by the Fund over the past five years. This is compared against the Fund’s investment objective of exceeding the median investment return of funds with similar asset allocation (using the Mercer Employee Super Balanced Growth Survey for this purpose) as well as exceeding increases in the cost of living (as measured by the Consumer Price Index (CPI)).



Please note that past performance is not a guide to future performance.

* Source: Mercer Employee Super Balanced Growth Survey

^ Source: Australian Bureau of Statistics

Benefits of your Fund

- Above average long term investment returns for members (10.94% p.a. return earned over last five years)*
- Flexible insurance options
- Full range of member services
- Ability to take account based pensions
- Spouse Membership available

*Please note that past performance is not a guide to future performance.

3. The Investments (continued)

How your Fund is managed

Your Fund has guidelines for investing

The Trustee has an Investment Governance Framework that sets out its investment strategy and objectives covering how and where the Fund's assets will be invested. While having an objective and strategy are required by law, having a strategy also helps ensure that your Fund maximises investment returns while maintaining an acceptable level of risk.

Please note that the objectives are not a forecast or guarantee of future performance. The investment policy also covers other related matters, such as appointment of investment managers and guidelines for investments in futures and options.

The Trustee delegates the day-to-day running of making and implementing investment decisions to the Investment Committee (for details of the membership, please see page 12) but the Trustee board regularly monitors the Fund's performance against its objectives and strategy. Changes are made to the investment strategy and objectives where necessary.

Investment Beliefs

The Fund aims to provide members with the opportunity to plan for their future financial security and retirement by offering:

- the opportunity to maximise investment returns in a cost effective way;
- a fund managed in accordance with good governance principles and the law; and
- a valued package of superannuation benefits and member services.

The following are some example of the core Investment Beliefs which form part of the Trustee's Investment Governance Framework.

Our beneficiaries' timeframe

Our beneficiaries overwhelmingly have an investment time horizon of 20 years plus and wish us to take a long term view. They are able to transfer some or all of their assets to other funds with a shorter term view if they need or want something with a different risk and/or return profile.

Diversification & Asset Allocation

Equities (Australian and international) offer better returns than fixed income over the long term, and therefore provide better protection against inflation. Accordingly, our average allocation to equities is relatively high at 80-85%. This has been reinforced by the benefits for members of franking credits, which are generally undervalued by the market.

Our bias to quality means that the Australian equity portfolio's volatility (and risk assessed more generally) is lower than if we had an index exposure of the same size. This makes the high equity allocation less risky than might be expected, as shown by one of our best years in terms of relative performance being 2008, a disastrous year for equities in absolute terms.

We can add value by shifting between asset classes, taking a view on:

- a. valuations relative to long term measures, believing that valuations are mean-reverting; and
- b. with less certainty and hence more caution, by estimating where we are in the economic cycle.

Active management

We believe that active management can produce superior returns for the risk taken. This is reflected in taking a non-index position in all asset classes and in the choice of fund managers who also have this philosophy.

Investment Objective and Strategy

The Fund's investment objective is to generate a total net return of at least 4% above inflation over a 10 year rolling period.

Factors considered by the Trustee and the Investment Committee in formulating the investment strategy are to prudently invest the assets of the Fund in pursuit of the maximum rate of return possible, subject to acceptable risk parameters and maintenance of an appropriate diversification of investments. Consideration has also been given to the size and nature of the liabilities of the Fund, particularly in relation to benefit payments.

As part of formulating the Fund's investment objective and strategy the Trustee has also considered:

- the Fund's benefit design; and
- the requirements of superannuation law.

3. The Investments (continued)

Environmental, Social and Governance (ESG) Considerations

The Trustee focuses on achieving strong risk-adjusted absolute returns. Principally, the Trustee seeks to maximise members' benefit over the long term, and integrates Environmental, Social and Governance (ESG) considerations where they are aligned to its investment objectives.

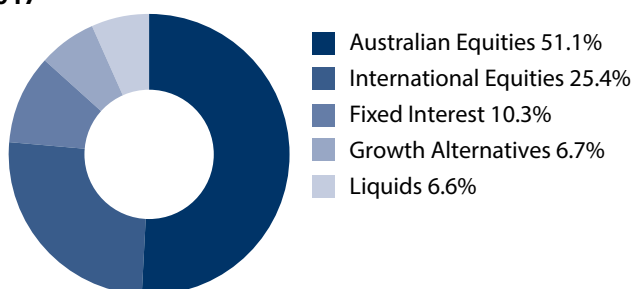
Equity investment decisions are based on superior stock selection by investing in high-quality companies with a long term view, where "quality" is assessed with reference to a number of components including ethical, competent and shareholder-oriented management. Therefore, the investment decision-making process incorporates ESG considerations to the extent that they add value to the quality of a business.

The Trustee does not have a formal methodology to explicitly assess ESG credentials of particular jurisdictions, industries or businesses. However, the Trustee may take into account ESG considerations to the extent that they may affect the performance of a company or investment.

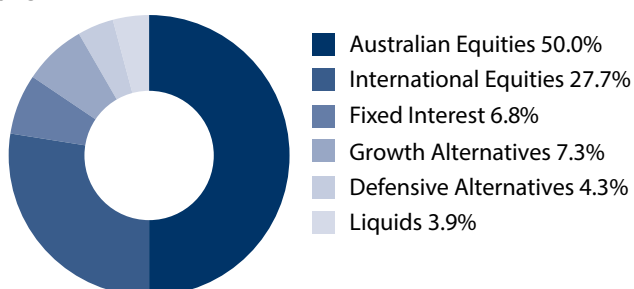
The Trustee relies on the Fund's investment managers to identify the companies and countries that represent the best value within their mandate, and they may or may not take into account ESG considerations in the selection, retention or realisation of investments.

Where your super is invested as at 30 June

2017



2018



New Strategic Asset Allocation from 1 October 2018

The permitted ranges for each asset class and the strategic asset allocation are:

Asset Class	Ranges	Neutral Position
Australian Equities	30-75%	45%
Overseas Equities	10-45%	32%
Alternative Asset Class	0-30%	Growth -10% Defensive - 5%
Australian Fixed Interest	0-50%	5%
Liquids	3-30%	3%

Keeping an eye on risk

The Trustee's policy regarding investment in derivatives is that derivatives can be used via:

- Direct investment by the Trustee (in limited circumstances primarily to protect the value of a particular asset class);
- An investment manager appointed by the Trustee to manage part of the Fund's investments in an individually managed portfolio; or
- A collective investment scheme or listed trust in which the Trustee has invested.

Operational Risk Financial Requirement

The Trustee is required under law to hold an operational risk reserve (ORR). This requirement was introduced to ensure that super funds have access to resources to compensate members, where relevant, for any operational incident which adversely impacts their benefits. The ORR is within the Trustee's tolerance range.

The investment strategy of the Operational Risk Reserve will be broadly aligned with the benchmark asset allocation of the overall investment strategy, but based on the use of Exchange Traded Funds (ETFs) and passive managers as follows:

Fund Assets	Operational Risk Reserve
Fixed Interest & Cash	Cash
Australian Equities	State Street Global Advisors
International Equities & Growth Alternatives	Vanguard MSCI Index
Defensive Alternatives	Cash

ORR Strategy as at 1 December 2018

Reserve movements for the three years to 30 June 2018:

	2018	2017	2016
ORR Balance	\$1,218,569	\$1,089,108	\$1,010,433

3. The Investments (continued)

Investments above 5% of assets

The Trustee is required to notify members of individual investments that exceed 5% of the value of the Fund's assets. The following investments represented more than 5% of the Fund's assets at 30 June 2018:

Investment Holding	\$m value	% of assets
Macquarie Walter Scott Global Equity Unhedged Fund	\$30.8	6.41%
Zurich Investments Unhedged Global Share Fund	\$35.8	6.98%

External fund managers as at 30 June 2018

A significant portion of Fund investments are held directly, however part of the portfolio is invested via managed funds as follows:

- Antipodes Global Fund
- Ellerston Australian Market Neutral Fund
- EQT PIMCO Wholesale Global Credit Fund
- Fairview Emerging Companies Fund
- Generation Wholesale Global Share Fund
- GMO Systematic Global Macro Trust B
- Janus Henderson Investors
- Kapstream Absolute Return Income Fund
- Macquarie True Index Australian Fixed Interest Fund
- Macquarie IFP Global Franchise Fund
- Macquarie Walter Scott Global Equity Unhedged Fund
- Merricks Capital Partners Fund
- Ophir High Conviction Fund
- Payden Global Income Opportunities Fund
- Pengana Emerging Companies Fund
- Platinum International Fund
- QVG Opportunities Fund
- Zurich Investments Unhedged Global Growth Share Fund

Some investment terms explained

- **Consumer Price Index (CPI)**
is used to measure the rate of increase in inflation. In Australia, it is based on the change in prices of a selection of household goods and services.
- **Average Weekly Earnings (AWOTE)**
is used to measure the rate of increase in average wages in Australia.
- **Asset class**
is the type of investment such as Australian shares, property securities or Australian fixed interest.
- **Growth assets**
are assets expected to grow in value over time (although their value may rise and fall in the short term), such as shares and property.
- **Asset allocation**
is the range of assets held in the various asset classes such as Australian shares, overseas shares and property.

4. In the Boardroom

Your Fund is run by a trustee company, BEST Superannuation Pty Ltd ABN 57 070 732 008, according to its governing legal document, the Trust Deed, and superannuation laws.

The Trustee Board comprises an equal number of member representative Directors (appointed by members of the Fund in accordance with the rules for the appointment of member representative Directors, two from Goldman Sachs Australia Services Pty Ltd (Goldman Sachs) and one from National Australia Bank Limited (NAB) working principally in the JBWere business (JBWere) and employer representative Directors appointed by the employers. The same ratio of directors represents the sponsoring employers in the employer appointed directors. There are currently two alternate directors – two member representative directors and one employer representative director. The duty of the alternate director is to stand in for directors who cannot be present at Trustee meetings and/or Committee meetings to enable effective and efficient decision making.

The Directors of the Trustee during 2017/18 were as follows:

Company	Employer Representative Directors	Member Representative Directors	Alternative Directors
Goldman Sachs	Conor Smyth Paul Sundberg Kate Aitken ¹ Jim Vais (Company Secretary)	Nell Hutton Sean Tolpinrud	Melissa Muratore ²
JBWere	Angela Manning (Chairman)	Brian Jones Frank Macindoe ³	Sally Campbell

¹ Kate Aitken resigned from the Board on 27 October 2017 and was replaced by Conor Smyth, who was appointed with effect from 18 December 2017.

² Melissa Muratore was appointed on 19 February 2018.

³ Frank Macindoe resigned from the Board on 7 February 2018 and was replaced by Brian Jones, who was appointed with effect from 28 March 2018.

Note: Jim Vais is the Company Secretary

Changes to the Board during the year

Following the resignation of Kate Aitken in October 2017, Goldman Sachs nominated Conor Smyth (who was at the time an Alternate Director) to step into the Employer Representative Director role. Conor was appointed on 18 December 2017. Given Conor's elevation to a full Director role, this created an Alternate Director vacancy for a Goldman Sachs representative and Melissa Muratore was subsequently nominated by Goldman Sachs and appointed on 19 February 2018.

Frank Macindoe resigned from the Board in February 2018 and given the length of time remaining in his appointed term, Frank's position was replaced through a casual vacancy nomination. Brian Jones, an Investment Committee advisor and participant of the Trustee's Shadow Director Program was subsequently appointed and joined as the JBWere Member Director of the Trustee Board on 28 March 2018.

Upcoming Director Elections

There will be an election held in 2019 for a Member Representative Director and further details will be issued when the election is called.

The Fund encourages all members to engage in the election process. The Member Representative Director role can be taken up by any employee of either Goldman Sachs or JBWere.

Shadow Director Program

In addition to the official Trustee Director and Deputy Director roles, the Trustee has in place a Shadow Director program. The Shadow Director program is intended facilitate succession planning by identifying individuals who would be eligible and willing to nominate as a Trustee Director in the future and allowing them to become familiar with the management of the Fund and the operations of the Board and Committees in an observer capacity. If you are interested in participating please reach out to one of your Member Representative Directors (see above) or the Fund Secretary (contact details page 2).

Investment Committee

The Fund's investments are determined by the Investment Committee comprising four Directors, along with investment advisors from Goldman Sachs and JBWere. The Committee meets monthly to monitor the performance of, and to make decisions on, the investments held by the Fund. The investments are held in the name of the Fund by the Fund's custodian Invia Custodian Pty Ltd. The Fund invests in individual shares, securities and wholesale managed funds.

Who is on the Investment Committee?

Directors	Alternate Directors	Investment Advisors
Paul Sundberg (Chairman)		Andrew Boak
Nell Hutton	Sally Campbell	Matthew McNee
Brian Jones	Melissa Muratore	Matthew Ross
Angela Manning		Curtis Reid
Frank Macindoe (resigned)		Stephen Sevier
		James Wright

4. In the Boardroom (continued)

Audit, Risk & Compliance (ARC) Committee

The ARC Committee provides an objective, non-executive review and performs oversight activities related to the effectiveness of the Trustee's accounting and financial reporting, internal control framework, audit arrangements, legal and regulatory compliance and risk management framework. The Committee comprises three Directors who meet at least four times a year.

Who is on the ARC Committee?

Directors	Alternate Directors	Investment Advisors
Paul Sundberg (Chairman) Conor Smyth Sean Tolpinrud	Sally Campbell Melissa Muratore	Jim Vais

Remuneration Committee

Following the introduction of the Stronger Super reforms, trustees are now required to disclose director remuneration and to establish a process to review this remuneration.

The Trustee has in place a Remuneration Policy. The Remuneration Committee is required to regularly review, and make recommendations to the Trustee on the operation and effectiveness of the Trustee's Remuneration Policy.

Who is on the Remuneration Committee?

Directors	Alternate Directors	Investment Advisors
Nell Hutton (Chairman) Brian Jones Angela Manning Conor Smyth Paul Sundberg Sean Tolpinrud Frank Macindoe (resigned) Kate Aitken (resigned)	Sally Campbell Melissa Muratore	Jim Vais

5. Administration and Financials

Advisors we use

These following organisations provide assistance to the Trustee:

Auditor and Tax Agent:

PricewaterhouseCoopers

Administrator:

Mercer Outsourcing (Australia) Pty Ltd

Fund Secretary/Risk and Compliance Officer:

Mercer Consulting (Australia) Pty Ltd

Legal:

Lander & Rogers

Actuary:

Willis Towers Watson

Insurer:

AIA Australia Limited

Custodian:

Invia Custodian Pty Ltd

Insurance protection

The Fund pays for indemnity insurance to protect the Trustee, its Directors and your Fund against the financial impact of any 'honest mistake' that might occur in running the Fund.

Special tax treatment

Superannuation is one of the most effective ways to save because it is taxed at a lower rate than many other forms of income. To get this tax advantage, your Fund must operate according to a strict set of laws. To show that your Fund has followed these laws, the Trustee lodges a return each year with APRA.

The Fund is a regulated complying superannuation fund for the purposes of government legislation.

No penalties

No penalties were imposed on the Trustee under the Superannuation Industry (Supervision) Act 1993 or Corporations Act 2001 during the year.

Costs are carefully managed

The costs of running the Fund are managed carefully. For employees of Goldman Sachs Australia Services Pty Ltd the cost of administering the Fund continues to be subsidised by your employer.

The section on the next page shows fees and other costs you may be charged. These fees and costs may be deducted from your account balance, from the returns on your investment or from the Fund assets as a whole.

You need to take into account the impact of tax and insurance costs as well. Accumulation and Pension members should refer to the relevant Fund Product Disclosure Statement for more information (available on the website).

Fees and charges

Type of fee	Amount	How and when paid
Investment fee	Investment costs ¹ 0.47% of Fund assets + Potential performance related fee ('PRF') 0.06% of relevant Fund assets ²	Deducted from Fund's assets and taken into account when the Fund's Crediting Rate is determined
Administration fee	If you are a Goldman Sachs Employee in the Accumulation Section or an Eligible Spouse Division Member because you are the spouse of a Goldman Sachs Employee operating costs ³ 0.16% of Fund assets. For all other members: Operating costs ³ 0.16% of Fund assets + \$360 p.a. and + 0.1% p.a (capped at \$300 p.a.) of relevant Fund assets	Deducted from Fund's assets and taken into account when the Fund's Crediting Rate is determined Deducted from Fund's assets and taken into account when the Fund's Crediting Rate is determined Pro rata amount deducted monthly from your Member Account Pro rata amount deducted monthly from your Member Account
Buy-sell spread	Nil	
Switching fee	Nil	
Exit fee	Nil	
Advice fees ⁴	Nil	
Other fees and costs ⁵	Withdrawal fee of \$180 for a benefit payment because of a withdrawal request or final pension payment. Additional fees may apply	Deducted from your member account for withdrawals under the portability regulations or any other partial withdrawal, including a contribution splitting amount which is transferred from the Fund.
Indirect cost ratio	Nil	

1. The investment fees (including any performance related fees) are estimated based on information for the financial year ended 30 June 2018. Actual amounts may vary.
2. Refer to section 10.3(b) of the Features of the Goldman Sachs & JBWere Superannuation Fund booklet for further details about performance related fees.
3. The operating costs are estimated based on information for the financial year ended 30 June 2018. Actual amounts may vary.
4. The Fund charges no advice fees, including those relating to all members investing in a particular MySuper product or investment option.
5. Refer to section 10.3 of the Features of the Goldman Sachs & JBWere Superannuation Fund booklet for additional explanation in the section 'Fees and other Costs' for further details.

5. Administration and Financials (continued)

Family law fees

Type of fee or cost	Amount	How and when paid
Application for information (i.e. benefit valuation) in the format specified under the Family Law Act 1975	\$250 (\$150 for additional requests)	Not paid out of the Fund. Charged by the Fund's administrator and payable by the person making request at time the request is made.
Splitting a benefit	\$250	Shared equally by both parties and will be deducted from each party's benefit at the time the benefit is split unless all of the benefit is going to the non-member spouse (in which case the non-member spouse pays the entire fee).
Flagging a benefit (or lifting a payment flag)	\$100	As for splitting a benefit.

For more information about family law and how it may affect your super benefit, contact the Fund Secretary.

Contribution splitting fees

\$180 if the split amount is transferred out of the Fund. There is no fee charged to the member if the split amount is transferred to an account for your spouse in the Fund.

Performance Related fees

The Investment fee set out above may include performance related fees. The figure of 0.06% given in the table in section 10.2 above is an estimated performance related fee ('PRF'), assuming a 1% out-performance by the investment manager. There is the potential for PRFs to be charged within the 'Alternative' asset class allocation in addition to the other Management costs. Investment managers that charge a PRF only apply those fees when performance is greater than an agreed target. Accordingly, PRFs only arise when higher returns, relative to a specified target for a particular manager, are achieved. The extent of any PRF cannot be determined in advance. This will change according to the amount of out-performance achieved by the investment manager and the weighting of that investment manager. There is generally a high watermark associated with each PRF. A high watermark means that if the manager loses money over one time period they have to get back to the previous level before getting a PRF on new gains.

Transactional and operational costs

Transactional and operational costs (T&O costs) include costs such as brokerage, clearing costs and stamp duty associated with trading to implement the Fund's investment strategy. Members incur no direct T&O costs when making contributions, withdrawals or switches (although there is a partial withdrawal fee). However, when the Trustee purchases or sells Fund assets, there are T&O costs incurred on the purchase or sale of the underlying assets. These T&O costs are deducted before the Fund's Crediting Rate is determined. Because these costs are taken into account before determining the Fund's Crediting Rate, Member Account balances are net of T&O costs.

GST

All fee calculations are inclusive of GST. Reduced input tax credits have been incorporated into the Operating costs.

Fee changes

All fees are current and may be revised or adjusted by the Trustee from time to time without member consent. The Trustee may also introduce new fees. If there is a significant increase in fees, the Trustee must notify members 30 days in advance of the change.

The withdrawal fee and the family law fees set out above can be indexed annually each 1 January to AWOTE.

An administration fee applies for JBWere and Retained Benefit members (i.e. those members who are no longer employees of a participating employer) of \$360 p.a. plus 0.1% of Fund balance. This fee is reviewed annually.

Goldman Sachs continues to fully subsidise these fees for its members.

5. Administration and Financials (continued)

Example of annual fees and costs

Example – MySuper product and Eligible Spouse Division		Balance of \$50,000
Investment fees	0.53%	For every \$50 000 you have in the MySuper product you will be charged \$265 each year.
Plus Administration fees	0.16% of Fund assets	And, you will be charged \$80 in operating costs if you are a Goldman Sachs Employee in the Accumulation Section or an Eligible Spouse Division Member because you are the spouse of a Goldman Sachs Employee.
	0.16% of Fund assets + \$360 p.a. + 0.1% p.a. (capped at \$300 p.a.)	For all other members: <ul style="list-style-type: none"> You will be charged \$80 in operating costs, and you will be charged \$360 p.a., pro rata deducted monthly, in administration fees regardless of your balance, and if your balance was \$50,000, then for that year you will be charged \$50 in administration fees.
Equals Cost of product Note: Additional fees may apply*		If your balance was \$50,000, then for that year you will be charged \$340 if you are a Goldman Sachs Employee in the Accumulation Section or an Eligible Spouse Division Member because you are the spouse of a Goldman Sachs Employee. All other members will be charged \$755

*Additional fees may apply for withdrawals under the portability regulations, contribution splits which are transferred from the Fund and family law fees. Refer to the Features of the Goldman Sachs & JBVere Superannuation Fund booklet on the Fund's website (www.gsjbw.superfacts.com) for additional explanation in the section 'Fees and Costs'.

Tax and insurance costs

Tax and insurance costs are set out in the Product Disclosure Statement (PDS) and its related Incorporation by Reference Documents (IBR): Features of the Fund and the Insurance Guide. The cost of insurance premiums is also passed on to members by deduction from their accounts. Accumulation members should refer, if applicable, to the Fund's PDS for more details.

Tax deductions

The deductibility effect of the payment of expenses from the Fund is passed on to members through adjustments to the Fund's Crediting Rate.

High Income Earner's Tax

Before 1 July 2017, if your adjusted income* was more than \$300,000, you paid an additional 15 per cent Division 293 tax on concessional contributions above this threshold. From 1 July 2017, this annual income threshold was reduced to \$250,000.

The Australian Taxation Office (ATO) will assess liability for the tax after the end of each tax year, based on your personal tax return and information provided by your super fund(s).

The following components are generally considered by the ATO to calculate your income for the purpose of this tax, which is tested against the \$250,000 threshold:

- Your taxable income
- Your reportable fringe benefits
- Your total net investment loss (for example, this offsets the impact of negative gearing)
- The amount on which family distribution tax has been paid (if applicable)
- Super lump sum taxed elements with a zero tax rate.

'Low tax contributions' are essentially concessional superannuation contributions.

If you receive an assessment for Division 293 tax which relates to your Accumulation Benefits you could choose to pay this tax yourself, or request the Fund to pay this from your super account. If you request the Fund to pay the Division 293 tax to the ATO (or to yourself where this is possible), the Fund will apply a withdrawal fee of \$180 to your Member Account.

*Your adjusted income is your income for surcharge purposes (less any reportable superannuation contributions) plus your low tax contributions. Contact the ATO for more information.

5. Administration and Financials (continued)

Surcharge Tax

If the Fund is required to pay surcharge tax in respect of you, the tax payable is deducted from your benefit in the Fund. If you roll over benefit into the Fund from another super fund or from your employer, any liability to pay the surcharge tax for contributions to that fund that has not been paid or in respect of the employer payment may be transferred to the Fund. If we receive a surcharge assessment after you have left the Fund, we will return it for payment to the ATO. The ATO will either forward it to the fund to which your benefit was paid or to you if your benefit was paid directly to you.

Financial Summary

This is a summary of the Fund's audited accounts for the year ended 30 June 2018. You can request a copy of the audited accounts and auditor's report from the Fund Secretary.

Statement of Changes in Net Assets for year ended 30 June 2018

	2018 (\$)	2017 (\$)
Net assets available to pay benefit at the start of the Year	456,202,908	420,489,057
Investment revenue		
Interest	485,723	440,535
Dividends	7,947,278	8,131,170
Distributions	20,249,399	7,256,523
Changes in net market value of investments	33,743,528	25,641,038
Contribution Revenue		
Employer Contributions	9,176,474	10,166,386
Member Contributions	871,399	7,353,302
Transfers from other funds	4,394,347	5,600,388
Other revenue		
Proceeds from insurance policies	1,748,694	2,421,527
Sundry revenue	-	-
TOTAL REVENUE	78,589,843	67,010,869
Expenses		
Premiums on insurance policies	(1,752,054)	(1,310,861)
Superannuation contributions surcharge	-	-
Other general expenses	(1,997,710)	(1,654,554)
Benefits paid	(25,688,302)	(25,547,813)
TOTAL EXPENSES	(29,438,066)	(28,134,228)
Changes in net assets before income tax		
Income Tax expense	(5,928,151)	(2,783,790)
Total Revenue Less Expenses After Income Tax	43,223,626	35,713,851
Net assets available to pay benefits at end of year	499,426,534	456,202,908

5. Administration and Financials (continued)

Statement of Net Assets as at 30 June 2018

	2018 (\$)	2017 (\$)
Cash deposits	6,480,729	7,236,498
Australian Equities	251,319,490	230,500,810
Overseas Investments	134,489,905	116,534,023
Alternative Investments	36,737,539	29,907,588
Fixed Interest	75,024,805	81,429,572
Other Assets		
Interest receivable	64,389	115,727
Distributions receivable	13,890,7888	5,445,126
Future Income Tax Benefit	40,835	31,693
Other debtors	254,661	26,504
TOTAL ASSETS	518,303,141	471,237,200
Liabilities		
Other creditors	426,393	335,634
Current tax liabilities	2,881,136	1,066,168
Deferred tax liabilities	15,569,078	13,632,490
Benefit payable	-	-
TOTAL LIABILITIES	18,876,607	15,034,292
Net Assets available to pay Benefits at end of Year	499,426,534	456,202,908

Employer contributions

The money required to provide the benefits comes from the employer's contributions and investment earnings. The amount the employer provides depends on the Fund's investment performance and financial position.

An actuary advises on the level of employer contributions required to ensure there is enough money to pay members' benefits. The actuary projects likely benefit payouts, salary growth and investment returns to calculate the employer's contribution level.

At the last valuation as at 30 June 2016 the actuary advised that the Fund was in a satisfactory financial position. The employer contributed in line with the actuary's recommendations for the year to 30 June 2018 so that contributions payable for the year by your employer have been paid to the Fund. The next actuarial valuation of Fund will be completed as at 30 June 2019.

Amendments to the Trust Deed

There were no amendments made to the Trust Deed during the 2017-2018 year.

6. Are you getting the most out of your super?

The Trustee of the Fund wants to ensure that you maximise the advantages that superannuation and the Fund can offer you.

Voluntary Contributions

Making pre-tax contributions (concessional contributions) can be a tax effective method of increasing your retirement savings.

To maximise the benefits of superannuation you now need to consider whether you should be making voluntary contributions from an earlier age. The concessional contribution caps may affect members looking to make large amounts of contributions in the lead up to their retirement.

BPAY Facility

As a member of the Fund you are able to make voluntary contributions to your super account using BPAY. BPAY allows you to make a contribution by phone or from your internet banking account at a time convenient to you. BPAY is available 365 days a year.

You can find details about how to make a contribution via BPAY, including the Biller Code and your personal Reference Number, by signing in to your account at www.gsjbw.superfacts.com.

For assistance, call the Fund Helpline on 1800 025 026. If you would prefer to make a contribution via cheque, please continue to use the form available on our website. Contributions received via cheque may take up to three working days to process following receipt of the cheque and your completed form.

Binding death benefit nominations - Who'll get your super if you die?

Have you made a binding death benefit nomination?

A binding nomination instructs the Fund how to pay your death benefit if you die.

It is highly likely that your superannuation benefit will become one of your most valuable assets. However, what you may not realise is that this benefit on death does not automatically form part of your estate and therefore is not covered by your will.

A valid binding death benefit nomination can help alleviate any concerns you may have regarding how your superannuation benefits will be distributed following your death.

Under the current Fund arrangements, members can nominate to whom they would like their benefit paid in the event of their death by either making a binding or non-binding death benefit nomination.

Only 13% of Fund members have made a binding death nomination.

In the event that you die without a valid and 'in effect' binding death benefit nomination in place, the Trustee of the Fund will be required to exercise its discretion to decide on payment of your death benefit to any one or more of your dependants or to your estate.

What's the difference between Binding and Non-Binding nominations?

Binding Nomination

If you make a valid binding death benefit nomination the Trustee will pay your benefit as nominated. This allows members to plan with certainty, knowing how their superannuation benefit will be paid in the event of their death (provided all requirements are complied with).

Binding nominations are valid for 3 years. However, a binding nomination should be reviewed if your circumstances change (e.g. birth of children, marriage, separation or divorce), as the Trustee has no discretion when paying a death benefit that is subject to a valid binding nomination.

Non-binding Nomination

This type of nomination is not binding on the Trustee. That is, the Trustee will take your nomination into account but is not bound to follow it. As with a binding nomination, if you have made a non-binding nomination it should be reviewed if your circumstances have changed.

How to make or update a nomination

You can make death benefit nominations (binding or non-binding) and update your beneficiaries at any time. Forms are available on the website www.gsjbw.superfacts.com or you can call the Helpline on 1800 025 026 for assistance with making a death benefit nomination.

Your annual Member Statement shows your nominated dependants and the proportion of your death benefit that you want them to receive in the event of your death. It also shows if your nomination is binding or non-binding.

Please note you should seek financial advice before making any decisions in regard to your superannuation.

6. Are you getting the most out of your super? (continued)

Spouse Division - Did you know your Spouse may be eligible to join the Fund?

The Fund's Eligible Spouse Division provides for eligible spouses to be members of the Fund and access many of its benefits.

Upon becoming an Eligible Spouse Division Member, the Trustee will establish and maintain an Eligible Spouse Division Member's Account on your spouse's behalf. This Eligible Spouse Division Member's Account works in a similar way to a bank account.

Amounts that may be paid into, or credited to, the Eligible Spouse Division Member's Account include, but are not limited to:

- contributions made by you as his/her spouse (i.e. the permanent employee and 'original' member of the Fund);
- allotments from your account following a valid contributions splitting application;
- any contributions that your spouse makes; and
- any amount made by, transferred or allotted to the Fund's Eligible Spouse Division from another superannuation fund which is permitted by relevant law.

If your spouse wants to become an Eligible Spouse Division Member, please complete and sign the membership application form for eligible spouse members (available on the Fund website and upon request from the Fund Helpline).

Please send these forms and an initial contribution of at least \$2,000 to the Fund Administrator, Mercer, at GPO Box 9946, Melbourne VIC 3001.

Spouse Contributions

The Trustee will accept contributions into the Fund made by you (i.e. the permanent employee and 'original' member of the Fund) on behalf of your spouse as long as:

- they were your spouse at the time the contributions were made; and
- you were a Member of the Fund at the time the contributions were made.

Subject to the Trustee's approval, your spouse may also make personal contributions to their Eligible Spouse Division Member's Account (whether concessional or non-concessional), although external employer contributions cannot be made. Contributions can be made by cheque or via BPAY.

Please note: The Fund does not allow external employer contributions to be made on behalf of a spouse.

You and your spouse should read the important information about 'Benefits of investing with Goldman Sachs & JBWere Superannuation Fund' before making a decision. Read the Features of the Goldman Sachs & JBWere Superannuation Fund booklet for more information. The material relating to 'Benefits of investing with Goldman Sachs & JBWere Superannuation Fund' may change between the time you read this and the day when the product is acquired.

Note that the key terms in this section are defined in the Fund's Trust Deed. The Fund's Trust Deed is available on the document & forms section of the Fund's website www.gsjbw.superfacts.com under the subheading 'fund information'.

Financial Advice Helpline

As members of the Fund you have access to limited personal financial advice. This service offers you limited personal financial advice in relation to contribution strategies and insurance and is available through the Fund Helpline.

The Financial Advice Helpline consultant will have an understanding of the Fund and the various benefit associated with the Fund.

For further information on making voluntary contributions, applying for additional insurance, nominating a benefit or if you would like to speak to a Financial Advice Helpline consultant please call the Helpline on 1800 025 026.

Any limited personal advice is provided by the Fund Administrator, Mercer, as a corporate authorised representative of Mercer Superannuation (Australia) Limited ABN 79 004 717 533, AFSL No. 235906.

The Retirement Income Simulator

The Retirement Income Simulator is an industry-leading retirement income calculator, which enables you to estimate your projected super balance and how long it may last in retirement.

The Simulator is designed to estimate your total retirement income, including benefits you may receive from the Age Pension and non-super investments. You can also choose to factor in super details for your spouse or partner (if applicable) and see the impact of a career break or move to part-time work on your projected super balance. This enables you to more clearly assess your estimated financial position in retirement and what you may need to do to reach your desired retirement balance.

The simulator is available on the Fund's website at www.gsjbw.superfacts.com.

6. Are you getting the most out of your super? (continued)

Pre-tax personal contributions – Retained and Spouse members

All Retained and Spouse members are able to make pre-tax personal contributions. From 1 July 2017, all individuals under the age of 75 were able to claim a tax deduction for all pre-tax personal contributions up to the contributions cap (regardless of whether or not they earn less than 10% of their income from employment sources).

Personal super contributions you claim as a tax deduction are taxed at 15%. However, there are caps on the amount of contributions you can make at this concessional rate of 15%. There are also caps on non-concessional contributions.

Personal contributions for which you:

- Claim a deduction are concessional contributions.
- Don't claim a deduction are non-concessional contributions.

Note: If you claim a deduction for a personal contribution, you will not be eligible for a super co-contribution on the amount you claim.

For further information on how to make personal concessional contributions please contact the Fund Helpline.

Rolling super between funds

If you are rolling your super between super funds, you need to supply the Fund's SPIN, or your member number, before the rollover can be completed. Your Fund's SPIN is BES0001AU.

7. Super News

Set out below is a summary of some of the key changes in super since the last Annual Report.

Recent and upcoming changes under current legislation.

Super measures to assist housing affordability:

First-home buyers can now save for a deposit inside their superannuation account under the new First Home Super Saver Scheme (FHSSS). Savers can contribute \$30,000 (up to \$15,000 a year within existing caps), and be able to withdraw the contributions along with deemed earnings in order to help fund a deposit on their first home. Concessional tax treatment applies. Releases are permitted from 1 July 2018, with voluntary contributions made from 1 July 2017 eligible. Conditions to access super under the FHSSS include that a member must be aged 18 or more, not have used the FHSSS before, and never owned real property in Australia (an exception may apply on financial hardship). The FHSSS is administered by the Australian Taxation Office (ATO).

Qualifying Australians aged over 65 are now able to make an exempt contribution to their superannuation after downsizing their family home. The aim of this measure is to help free up the stock of larger houses for young families, by allowing older Australians to sell their houses and contribute up to \$300,000 of the proceeds into superannuation. Existing voluntary contribution rules and restrictions do not apply to Downsizer contributions. This measure applies from 1 July 2018.

For further details of these measures go to ato.gov.au.

Superannuation complaints body:

The Government established a new 'one-stop shop' external dispute resolution (EDR) body — the Australian Financial Complaints Authority (AFCA). AFCA deals with all financial disputes, including superannuation disputes from 1 November 2018. AFCA has replaced the previous three EDR bodies in the financial system (the Financial Ombudsman Service (FOS), the Credit and Investments Ombudsman (CIO) and the Superannuation Complaints Tribunal (SCT)) and operates under an ombudsman model. The SCT will continue for a period to deal with complaints lodged with it up to 31 October. All new complaints from 1 November 2018 will be dealt with by AFCA.

Income stream reporting to Centrelink: Super funds will be required to begin electronic reporting of account-based and lifetime pension information to Centrelink from January 2019, replacing current reporting by recipients.

Streamlining of super release authority processes:

In the past there has been a mish-mash of different rules (e.g. the time period for members to make elections and who to send the election to) for dealing with releases of excess contributions and Division 293 tax (high income earners contributions tax). These rules have largely been aligned with effect from 1 July 2018.

Mandatory personal data breach reporting:

Super funds and other organisations covered by the Privacy Act are now required to notify any individuals likely to be at risk of serious harm as a result of a data breach. The Privacy Commissioner must also be notified when such a breach occurs.

Early Release of superannuation benefits on Compassionate Grounds: Responsibility for assessing applications and authorising releases has moved from the Department of Human Services (DHS) to the ATO.

Enhanced super contribution reporting to ATO:

Employers and funds will begin providing more timely and detailed contribution information to the ATO over 2018 and 2019. This will facilitate the ATO monitoring Superannuation Guarantee (SG) payments more effectively and allow the ATO to show more up to date contribution information on individuals' myGov records.

Concessional contributions limit for 2018-19

The standard concessional (before tax) contribution limit for 2018-19 is \$25,000 for all ages (the same as for 2017-18). Concessional contributions include employer and salary sacrifice contributions.

From 1 July 2019 you may be entitled to contribute more than the standard concessional contribution limit if:

- you have not fully used your annual cap on concessional contributions in the previous five years (but not counting years before 1 July 2018), and
- the combined balance of all your superannuation accounts is less than \$500,000 on 30 June of the previous financial year.
- Non-concessional contributions limit for 2018-19
- The annual non-concessional (post tax) contribution limit for 2018-19 is:
 - \$100,000 if the combined balance of all your superannuation accounts as at 30 June 2018 is less than \$1.6 million and you did not trigger the 'bring forward' rule (see below) in 2016/17 or 2017/18, or
 - A special calculation if the combined balance of all your superannuation accounts as at 30 June 2018 is less than \$1.6 million and you did trigger the 'bring forward' rule (see below) in 2016/17 or 2017/18, or
 - Nil if the combined balance of all your superannuation accounts as at 30 June 2018 is \$1.6 million or more.

7. Super News (continued)

- The 'bring forward' rule, allows eligible members under age 65 at the start of a financial year to bring forward one or two years of non-concessional contributions and make non-concessional contributions of up to three times the annual limit in that year.

For further details of the operation and eligibility conditions of the 'bring forward' rule go to ato.gov.au.

Proposed changes yet to be legislated

Protecting Your Superannuation Package:

The Government has introduced proposed legislation to implement the Protecting Your Super package announced in the 2018/19 Budget. This includes the following proposed changes from 1 July 2019:

- A 3% fee cap on accounts with balances of less than \$6,000
- A ban on exit fees
- Requiring super funds to cancel default insurance on accounts that have balances below \$6,000 or that have not received a contribution for 13 months or longer, unless the member elects to keep it
- Requiring super funds to only offer insurance on an opt-in basis for members who are under 25 years old (proposed to apply to new members joining from 1 July 2019)
- A new ATO-based consolidation process requiring the transfer to the ATO of all inactive accounts (no contributions for 13 months) with a balance below \$6,000 and without insurance. The ATO will be given powers to reunite ATO-held accounts with an active account for the member (if the combined balance would be over \$6,000).

Superannuation Guarantee (SG) opt-out for high income earners with multiple employers:

The 2018-19 Budget proposed that, from 1 July 2018, people whose income exceeds \$263,157 and have multiple employers will be able to nominate that their wages from certain employers are not subject to the SG. This aims to allow eligible individuals to avoid breaching the \$25,000 annual concessional contributions cap as a result of multiple compulsory SG contributions (the current SG rate of 9.5% x \$263,157 = \$25,000).

For more details and current status, go to ato.gov.au.

Amending the SG to exclude salary sacrifice contributions: The Government has introduced proposed legislation to amend the SG legislation, to:

- prevent contributions made under salary sacrifice arrangements from satisfying an employer's SG obligations; and
- to specifically include salary or wages sacrificed to superannuation in the earnings base for calculating an employer's SG obligations

Addressing SG non-compliance:

The Government has also proposed further changes to the SG legislation to help address non-payment or under-payment by employers. The proposed package includes:

- Enabling the ATO to issue directions to non-compliant employers to pay unpaid SG and undertake SG education courses, with criminal penalties for failure to comply with a direction to pay
- Allowing the ATO to disclose more information about SG non-compliance to affected employees,
- requiring employers to report salary sacrificed superannuation contributions amounts to the ATO
- requiring super funds to report contributions received more regularly to the ATO and split by employer, to help the ATO monitor employers' SG payments
- a 12-month SG amnesty to encourage employers to voluntarily remedy any underpayments prior to 1 April 2018.

New means test treatment for lifetime pension products:

The Government has announced that a new means test treatment will apply for qualifying lifetime retirement income streams purchased from 1 July 2019. Under the yet to be legislated changes, generally 60% of the purchase price would be counted for the assets test up to age 84 (and then 30%) and 60% of payments would count against the income test.

Superannuation objective:

The Government proposes to enshrine in legislation a superannuation objective 'to provide income in retirement to substitute or supplement the Age Pension'. The objective is to serve as a guide to policy-makers, regulators, industry and the community about superannuation's fundamental purpose.

Governance:

The Government proposes to require at least one-third independent directors (including an independent chair) on trustee boards for both public offer and non-public offer super funds.

Choice of Fund:

The Government proposes to remove the current exemption from Choice of Fund requirements for employees covered by enterprise agreements and workplace determinations.

8. Like to know more?

As Accumulation and Pension members you should already have a Product Disclosure Statement containing information about your benefit and rules governing the Fund. You also receive annual Member Statements containing important personal information about your benefit in the Fund.

Other documents relating to the Fund that are available for you to look at are:

- the Trust Deed
- Trustee director information
- the Constitution
- details of how the member-representative Directors of the Trustee are elected and how they can be removed
- record of board attendance
- the investment policy statement
- proxy voting policy and a summary of proxy votes
- the latest audited accounts and auditor's report
- the latest actuary's report
- the enquiries and complaints procedure
- the privacy policy
- MySuper Product Dashboard
- summary of significant events

If you have a question about your benefit in the Fund, please contact the Fund Helpline on 1800 025 026. Please note that the Trustee, its Directors, the Fund Secretary and the Fund Helpline are not able to give any personal advice relating to your own circumstances. Please see page 20 for details of the Fund's Financial Advice Helpline which can provide limited personal advice.

What to do if you leave

If you are about to leave work and want to take your super out of the Fund, make sure you respond promptly to letters from the Trustee about your benefit payment. If you have reached age 65, and have not told the Fund how and where to pay your benefit, your benefit may be considered to be unclaimed money. If so, it will be transferred to the ATO. You will then need to contact the ATO to find out how to claim your benefit

For members leaving the Fund who are aged 64 or younger, the Trustee has a broad power to transfer a member's benefit to another fund called an Eligible Rollover Fund (ERF). Upon transfer to the ERF, you or your dependants will no longer have any entitlements under the Fund.

The Trustee will transfer your benefit to the ERF after ceasing employment if either of the following two conditions occurs:

- You have less than \$10,000 in your account, and you fail to advise a complying fund you wish to transfer your benefit to, or
- If we have written to you twice and both times mail has been returned unopened.

ERFs are designed as holding funds. As a result, the rate of return in the ERF may be lower than in another superannuation fund. You should seek professional financial advice about the best place to roll over your benefit when you leave service.

The Fund's nominated ERF is AUSfund, Australia's Unclaimed Super Fund.

Set out below is a summary of the more significant features of AUSfund, current as at July 2018:

- AUSfund does not offer insurance benefit in the event of death or disability.
- AUSfund charges an administration cost of \$11.50 per year or part-year. Investment and management costs are not deducted directly from a member's or product holder's account.
- AUSfund does not charge entry or exit fees.
- AUSfund does not accept contributions from employers or members, but can accept transfers from other regulated super funds.
- AUSfund has one diversified investment strategy and therefore does not provide investment choice. Rates of return are not guaranteed and investment returns provided to AUSfund members will be dependent on the performance of the underlying investment managers.

Should you wish to know more about AUSfund, please call the Administration Manager on 1300 361 798, by writing to PO Box 543, Carlton South VIC 3053, by sending an email to admin@ausfund.net.au or visiting their website at www.unclaimedsuper.com.au.

Continuing your insurance - Retained Benefits members

Insured benefits: What happens when you leave service?

Your existing benefit in the Fund may be transferred to the Retained Division of the Fund and an information pack will be sent to you.

Please note that if you held:

- Death and/or Total and Permanent Disablement (TPD) cover - The insured component, calculated at your date of exit, will be automatically transferred across to the Retained Division (subject to conditions as outlined below) and your insurance cover will continue until you advise us otherwise.
- Salary Continuance Insurance (SCI) – You will need to opt-in to transfer your cover to your Retained Division Member Account (subject to conditions as outlined below).

8. Like to know more? (continued)

SCI Eligibility

For SCI cover to continue in the Retained Division you will need to complete and return the 'Retained Division cover change' form and a Personal Information Statement (issued by the Insurer). The Fund must receive the form by a date that is the earliest of:

- 90 days from the date you ceased employment, or
- 60 days from the date that the Fund is advised of your cessation of employment.
- To be eligible to receive this cover you need to comply with the following criteria:
- you are a citizen or permanent resident of Australia;
- you were under 60 years on your last day of employment with the Employer; and
- you left your employer (other than as a result of Injury, Sickness or Disease) to follow permanent employment elsewhere (in any occupation acceptable to the insurer) for at least 15 hours per week. Employment needs to commence within 60 days of your termination date with your employer to remain eligible.

It is your responsibility to notify the Fund of any changes to your circumstances that may impact your eligibility for cover. Please refer to the Fund Insurance and Features Guides for more information or call the Fund Helpline.

Relocating Overseas

If you reside overseas for longer than 5 years your insurance cover will cease unless you apply for continued cover, and that cover is approved by the Insurer before the expiry of the 5 year period. The onus is on you to make such application before the expiry of the 5 year period.

Neither the Trustee nor the Insurer maintains records monitoring the length of time that you reside overseas and so neither the Trustee nor the Insurer will be aware of the fact that you are residing overseas unless informed by you. Therefore, if you do reside overseas for longer than 5 years without notifying the Insurer or the Trustee or while applying for continued cover, insurance premiums will continue to be deducted from your account, despite the cessation of your cover in accordance with the conditions explained section 2.14 of the Fund's Insurance Guide. The fact that insurance premiums have been deducted from your account in such circumstances does not mean that you have insurance cover for the period in which the premiums were deducted.

Cover can only be maintained subject to the continuing payment of premiums whilst overseas.

If you make a TPD claim while overseas, the Insurer may require you to return to Australia, at your own expense, for medical treatment or assessment.

Leaving the Fund

If you choose to leave the Fund but would like to continue your Death, Total & Permanent Disablement and/or Salary Continuance insurance arrangements, you are eligible to do so by arranging an individual life policy with the Fund insurer (see the section below for more details).

The Fund will send out an information pack to you once the Company has advised the Fund of your cessation of service.

Your Fund Secretary

Brent Tulk
Goldman Sachs & JBWere Superannuation Fund c/o Mercer
GPO Box 9946
Melbourne VIC 3001
Phone: 1800 025 026
Fax: (03) 8640 0800

If you have a problem...

Most queries can be sorted out over the phone, but if we are unable to help you immediately, you may be asked to put your question in writing and we will reply within 28 days.

If you are not satisfied with the response, you should write to the Fund's Complaints Officer, who will pass your complaint to the Trustee. You can expect a decision within 90 days.

The contact details for the Fund's Complaints Officer are:
Complaints Officer
Goldman Sachs & JBWere Superannuation Fund
C/o Mercer
GPO Box 9946
Melbourne VIC 3001
Phone: 1800 025 026
Fax: (03) 8640 0800

If the matter is not resolved to your satisfaction within 90 days, you may lodge a complaint with:

- the Australian Financial Complaints Authority (AFCA):
Online: www.afca.org.au
Email: info@afca.org.au
Phone: 1800 931 678
Mail: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

8. Like to know more? (continued)

Protecting your privacy

The Trustee holds personal information about you, such as your name, address, date of birth, salary and tax file number, in order to provide your super benefit and to comply with regulatory requirements. This personal information may be disclosed as necessary to the Fund's administrator and professional advisors, insurers, Government bodies, employers, and other parties.

The Fund has a privacy policy that sets out in more detail the way your personal information is handled. If you would like a copy of the Fund's privacy policy, please contact the Fund Secretary (see contact details above) or visit the Fund's website at: <https://secure.superfacts.com/public/gsandjbwere/Privacy.tpz>

Disclaimer

This annual report has been prepared by the Trustee to meet its legislative obligations under the Corporations Act 2001. The information contained in this annual report does not take account of the specific needs, or personal or financial circumstances of any persons. Readers should obtain specialist advice from a licensed financial advisor before making any changes to their own superannuation arrangements or investments. Accumulation and Pension members should also read carefully the relevant Fund Product Disclosure Statement.

The terms of your membership in the Fund are set out in the Fund's Trust Deed and, should there be any inconsistency between this annual report and the Fund's Trust Deed, the terms of the Fund's Trust Deed prevail. While all due care has been taken in the preparation of this report, the Trustee reserves its right to correct any errors and omissions.

All statements of law or matters affecting superannuation policy are up-to-date as at 30 June 2017, unless otherwise stated.

This document contains general information about investments and investment performance. Please remember that past performance is not necessarily a guide to future performance.

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