



# Investment Guide

## Goldman Sachs & JBWere Superannuation Fund

The information in this document forms part of the Product Disclosure Statement for the Goldman Sachs & JBWere Superannuation Fund dated 1 July 2023.

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### Contents

1. Introduction.....	3
2. Trustee's investment objectives and investment strategy .....	3
3. Derivatives Policy .....	4
4. Investment Managers.....	4
5. Fund Crediting Rates.....	4
6. Interim crediting rate .....	5
7. Social, environmental and other considerations.....	6
8. Important Information .....	6
9. Glossary of terms .....	6

## 1. Introduction

The Goldman Sachs & JBWere Superannuation Fund (Fund) provides accumulation benefits for new members.

This means that employer and member contributions 'accumulate' in respect of each member in an account, together with annual investment earnings (whether positive or negative). Certain amounts are deducted from this account (e.g., tax, fees and expenses). Each member is provided with a benefit equal to their account balance(s) at the time of leaving the Fund.

This means that the level of investment earnings (whether positive or negative) has a direct effect on the amount of your benefit in the Fund.

More information about how your benefit in the Fund is calculated is set out in the PDS and the Features of the Goldman Sachs & JBWere Superannuation Fund booklet.

## 2. Trustee's investment objectives and investment strategy

The Fund provides only one investment option for members. The Trustee has set the following Fund objectives which are taken into account when formulating the investment strategy:

- To provide benefits to assist members in achieving their desired standard of living upon retirement or becoming Totally and Permanently Disabled;
- To provide a measure of security for members' Dependants in the event of a member's death;
- To provide an above average rate of return while maintaining an acceptable degree of security for the Fund's assets;
- To provide a range of benefits which are at least comparable with those provided by similar funds.

The Trustee's investment return objective is to generate a total net return of at least 4% above inflation over a 10 year rolling period. (Note that the investment return objectives are not a predictor or promise of any particular investment return.)

The Trustee's investment strategy is 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.

The Trustee has considered:

- the Fund's benefit design i.e. defined benefits and accumulation benefits;
- defined benefit member characteristics i.e. age and gender;
- the requirements of the Superannuation Industry (Supervision) Act 1993.

The Fund maintains an asset profile that seeks to maximise long term returns by maintaining a high proportion of Australian equities.

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

Asset Class	Ranges	Neutral Position
Domestic Equities	30-75%	38%
International Equities	10-45%	42%
Real Assets	0-30%	3%
Credit	0-50%	10%
Uncorrelated Strategies	0-30%	2%
Cash	1.5-30%	5%

You are not able to switch investment options as only one investment option is available.

The Trustee may change the investment objective or strategy. You will be informed of any material changes to the investment objectives or strategy.

## Portfolio Implementation

The Fund classifies asset classes based on underlying economic risk. Further information on the Fund's asset classes can be found below:

- **Cash** – cash is a proxy for a capital stable riskless asset. It is not subject to the other identifiable risks that govern other asset classes;
- **Credit** – credit is defined as any investment exposed to the credit risk of the issuer. This includes both the highest credit quality rated issuers, as well as investments that fall below investment grade, including high yield, emerging market bonds and private credit opportunities;
- **Real Assets** – Real assets bring together property and infrastructure into a single asset class. Real assets will include diversified, listed Australian and Global Real Estate Investment Trusts (REITs) strategies, direct property (where that is the desire of the Fund), and diversified listed and private infrastructure strategies;
- **Equities** – Equities represent the Fund's stake in individual companies. Whilst private equity can have different risk and return characteristics to listed equities, particularly during short time periods, the underlying economic risk remains consistent. Therefore, private equity and listed equity are included together in this asset classification;
- **Uncorrelated Strategies** – The uncorrelated strategies asset class is intended to represent those strategies with little to no correlation to any of the other asset classes listed above. This category includes assets such as hedge funds (both market neutral and global macro), gold, and currency.

## 3. Derivatives Policy

The Trustee's current policy regarding Derivatives is that the use of Derivatives can be via:

- direct investment by the Trustee to implement investment positions within the allowable asset allocation boundaries;
- 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.

## 4. Investment Managers

The Trustee generally manages its investments internally and has no external investment managers appointed, other than underlying wholesale managed funds in certain asset classes. Investments of the Fund are made directly by the Trustee via direct holdings and wholesale managed funds.

Some of the Fund's assets are invested with various wholesale managed funds. The list of managers varies year to year. Please refer to the Service Provider Listing on the Fund website for the Fund's current manager listing or the latest Fund Annual Report.

## 5. Fund Crediting Rates

Investment income is credited to Members' Accounts at the Fund's Crediting Rate which is set by the Trustee. The Fund's Crediting Rate is the Fund's actual earning rate for the year, which may be positive or negative, as set out in Table A. Fees, expenses and taxes paid out of the Fund are deducted from the Fund's earnings before the Fund's Crediting Rate is applied to Members' Accounts. (The **Features of the Goldman Sachs & JBWere Superannuation Fund** booklet contains more information about fees and costs).

### Table A

The Fund measures its performance against a benchmark\* on a monthly, financial year, 5 year and 10 year basis. The following table compares the Fund's actual earning rates with a one year median net return of funds in the 'Mercer Employer Super Balanced Growth Survey'.

Year (30 June)	Crediting Rate (%)		Benchmark* (%)
	For Account Based Pensions	For all other Accounts	
2023	13.48%	12.31%	8.1
2022	-6.86	-6.44	-4.6
2021	23.97	22.12	16.3
2020	1.85	1.67	-0.9
2019	9.97	9.42	6.9
2018	13.81	12.30	8.4
2017	10.05	9.38	9.6
2016	5.74	5.17	2.4
2015	12.87	11.64	9.5
<b>5 year compound average (pa) (%)</b>	<b>7.99</b>	<b>7.38</b>	<b>5.3</b>
<b>10 year compound average (pa) (%)</b>	<b>10.05</b>	<b>9.14</b>	<b>7.3</b>

\* Mercer Employer Super Balanced Growth Universe Survey – Median. All rates are after tax and after management fees.

**Past performance is not a reliable indicator of future performance.**

Earnings are calculated monthly and are allotted to your account annually at the end of each Fund Year, or upon your exit from the Fund.

There are no commissions, or any other similar payments, that will or may impact on the Fund's Crediting Rate.

The Fund's investment return objective changed in July 2013, namely to generate a total net return of at least 4% above inflation over a ten year rolling period. Table B compares the Fund's average return (net of all fees) and average return target in line with the Fund's current investment return objective over a 10 year rolling period. Note that the Fund's Annual Net Return allows for all fees and costs including administration fees deducted from Member Accounts only applicable to JBWere and Retained Members.

Table B

Year (30 June)	Fund's Annual Net Return (%)	Fund's 10 Year Average Net Return (%)	10 Year Average Return Target (%)
2023	11.91	8.42	6.7
2022	-6.84	9.67	6.3
2021	21.72	10.25	5.8
2020	0.85	8.99	5.8
2019	8.60	10.26	6.1
2018	11.48	8.60	6.1
2017	8.56	6.63	6.3
2016	4.27	7.53	6.4
2015	10.74	9.38	6.7
2014	15.56	10.46	6.8

## 6. Interim crediting rate

For any period where a monthly earning rate is not known, the Trustee sets a monthly interim crediting rate that is usually based on or around the cash rate (less an allowance for tax). In periods of unusual market volatility, the interim crediting rate may also take into account market movements over the period. Members' benefits will include earnings at the interim crediting rate that is set at the time the benefit is paid, for any period where the monthly earning rates are not known. The Trustee retains the right to revise interim crediting rates at its discretion.

Earnings may be positive or negative hence the amount of your benefit on any benefit quote that is sent to you (e.g., at the time you cease employment with an Employer) may be more or less than the actual amount of your benefit paid out of the Fund on the date of withdrawal.

## 7. Social, environmental and other considerations

The Trustee focuses on achieving strong risk-adjusted absolute returns. Principally, the Trustee seeks to maximise members' benefits 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 financial 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.

## 8. Important Information

Information in this Guide is to be used as a guide only. This Guide has been prepared without taking into account any individual's particular financial needs, circumstances and objectives. We recommend that you obtain independent professional advice to assess your own financial situation prior to making any decisions based on the information contained in this Guide.

The Trustee can only provide factual information about the Fund. It is not licensed to provide financial services advice to you (whether of a general or personal nature).

The Fund's Trust Deed and relevant legislation govern the operation of the Fund. If there is any discrepancy between the information in this Guide and the provisions of the Trust Deed, the Trust Deed will prevail. You can obtain a copy of the Trust Deed by calling the Fund Helpline on the contact details below between 8.00am and 6.00pm Monday to Friday.

Information in this Guide that is not materially adverse is subject to change from time to time, and the updated information can be accessed at any time by contacting the Fund Helpline. A paper copy of this updated information will be provided without charge on request.

### Trustee contact details:

Fund Secretary  
 BEST Superannuation Pty Ltd  
 Trustee of the Goldman Sachs & JBWere Superannuation Fund  
 GPO Box 9946, Melbourne VIC 3001  
 Fund Helpline Tel: 1800 025 026  
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## 9. Glossary of terms

**Associated Employer** means National Australia Bank Ltd (limited to those who primarily work in the JBWere Ltd business).

**Derivative** means a financial instrument whose value depends on the values of something else, such as a commodity, interest rates, currency exchange rates, securities, or an index. Derivative types include a futures contract, a currency and interest rate swap agreement, and an option over securities or market indices.

**Employer** means Goldman Sachs Australia Services Pty Ltd (the Principal Employer) or an Associated Employer.

**Features of the Goldman Sachs & JBWere Superannuation Plan** means the Features of the Goldman Sachs & JBWere Superannuation Plan booklet.

**Fund** means the Goldman Sachs & JBWere Superannuation Fund which is governed by the Trust Deed.

**Fund Year** means the 12 months ending 30 June.

**Fund's Crediting Rate** means the rate at which investment income is credited to Members' Accounts. For further details, refer to sections 4 and 5 of this Guide.

**Principal Employer** means Goldman Sachs Australia Services Pty Ltd.

**Trust Deed** means the legal document which governs the operation and management of the Fund, sets out the rights and obligations of the Trustee and Employers, and sets out the rights, obligations and benefits of Fund members. There are also other rules which may be made by the Trustee from time to time which govern the operation of the Fund.

**Trustee** means the trustee of the Fund, which is currently BEST Superannuation Pty Ltd. The **Features of the Goldman Sachs & JBWere Superannuation Fund** document contains more information about the Trustee.