

# INDIRECT COSTS UPDATED FOR ONEANSWER FRONTIER

## Continuous Disclosure Notice (CDN) and Product Update | 11 December 2020

**This CDN and Product Update provides important information to current investors of OneAnswer Frontier Investment Portfolio and OneAnswer Frontier Personal Super and Pension.**

We have determined Indirect Costs for each investment fund offered through OneAnswer for the year ended 30 June 2020.

The updated Indirect Costs are included in the Product Disclosure Statements (PDSs) for the OneAnswer Frontier suite of products available on the OnePath website from 1 December 2020. The Indirect Costs are also included in this update on pages 2 – 5.

## WHY HAVE INDIRECT COSTS BEEN UPDATED?

After the end of each financial year, we are required to determine the indirect costs that were incurred during the financial year. Once determined we are required to update our PDS and our current investors on the quantum of the indirect costs.

## WHAT ARE INDIRECT COSTS?

Indirect costs include amounts that have been deducted from your investment and cover amounts that have reduced the return on your investment but are not charged as a fee.

Please refer to the latest disclosure documents below, for more detailed information about indirect costs and what they include:

- for OneAnswer Frontier Investment Portfolio, refer [here](#) for the updated PDS
- for OneAnswer Frontier Personal Super and Pension, refer [here](#) for the updated PDS and [here](#) for the updated Fees Guide.

## ANY QUESTIONS?

If you have any questions or require further information, please:

- call Customer Services on **133 665**, weekdays between 8.30am to 6.30pm (AEST)
- speak with your financial adviser.

## Total Ongoing Fees and Costs for each investment fund

The following table lists the total Ongoing Fees and Costs for each investment fund offered through OneAnswer Frontier Investment Portfolio and OneAnswer Frontier Super and Pension. The indirect costs have been determined for the 12 months ending 30 June 2020 and may vary in future<sup>^</sup>. It is important to remember that past costs are not a reliable indicator of future costs.

Your account may be subject to other fees and costs in addition to the total Ongoing Fees and Costs for each applicable investment fund listed below. Please refer to the documents listed in the 'What are indirect costs?' section on the previous page for further details.

Investment fund	Total Ongoing Fees and Costs		
	(A) Ongoing Fee* (% p.a.)	(B) Indirect Costs/Indirect Cost Ratio <sup>^</sup> (% p.a.)	(C = A + B) Total Fees and Costs (% p.a.)
<b>Multi-manager investment funds</b>			
<b>Investor Profile 2 – Conservative</b>			
OnePath Conservative	0.80	0.34	1.14
OptiMix Australian Fixed Interest	0.75	0.04	0.79
OptiMix Conservative	0.90	0.40	1.30
<b>Investor Profile 3 – Moderate</b>			
OnePath Balanced <sup>§</sup>	0.90	0.43	1.33
OptiMix Moderate <sup>§</sup>	0.95	0.46	1.41
<b>Investor Profile 4 – Growth</b>			
OnePath Active Growth <sup>§</sup>	1.10	0.46	1.56
OnePath Managed Growth <sup>§</sup>	0.95	0.44	1.39
OptiMix Balanced <sup>§</sup>	0.99	0.49	1.48
OptiMix Growth	1.00	0.41	1.41
<b>Investor Profile 5 – High Growth</b>			
<b>Property</b>			
OptiMix Property Securities	0.90	0.05	0.95
<b>Australian shares</b>			
OptiMix Australian Shares	1.00	0.10	1.10
<b>Global shares</b>			
OptiMix Global Emerging Markets Shares <sup>§</sup>	1.50	0.33	1.83
OptiMix Global Shares	1.20	0.01	1.21
<b>Multi-sector</b>			
OnePath High Growth	1.05	0.25	1.30
OptiMix High Growth	1.10	0.28	1.38
<b>Single manager investment funds</b>			
<b>Investor Profile 1 – Defensive</b>			
ANZ Cash Advantage	Nil	Nil	Nil
ANZ Term Deposits	Nil	Nil	Nil

Investment fund	Total Ongoing Fees and Costs		
	(A) Ongoing Fee* (% p.a.)	(B) Indirect Costs/Indirect Cost Ratio^ (% p.a.)	(C = A + B) Total Fees and Costs (% p.a.)
Single manager investment funds (continued)			
<b>Investor Profile 2 – Conservative</b>			
Kapstream Absolute Return Income	0.90	0.07	0.97
OnePath Diversified Fixed Interest	0.75	0.13	0.88
Pendal Monthly Income Plus	0.85	0.09	0.94
Perpetual Conservative Growth <sup>†</sup>	1.15	0.18	1.33
Schroder Fixed Income	0.85	0.13	0.98
UBS Diversified Fixed Income	0.98	0.00	0.98
Vanguard Conservative Index	0.70	0.02	0.72
Vanguard Diversified Bond Index	0.70	0.00	0.70
<b>Investor Profile 3 – Moderate</b>			
Colonial First State Global Credit Income <sup>§</sup>	0.65	0.20	0.85
Schroder Real Return	1.00	0.06	1.06
T. Rowe Price Dynamic Global Bond <sup>§†</sup>	0.82	0.98	1.80
UBS Defensive	1.15	0.06	1.21
Vanguard Balanced Index	0.80	0.02	0.82
<b>Investor Profile 4 – Growth</b>			
Bentham Global Income	1.30	0.02	1.32
BlackRock Scientific Diversified Growth <sup>†</sup>	1.15	0.49	1.64
BlackRock Tactical Growth <sup>§†</sup>	1.25	0.72	1.97
OnePath Alternatives Growth <sup>†#</sup>	1.30	0.54	1.84
OnePath Diversified Credit	0.90	0.03	0.93
OnePath Tax Effective Income	1.00	0.08	1.08
Perpetual Balanced Growth <sup>†</sup>	1.20	0.25	1.45
Schroder Balanced	1.25	0.11	1.36
UBS Balanced	1.25	0.10	1.35
Vanguard Growth Index	0.80	0.02	0.82
<b>Investor Profile 5 – High growth</b>			
<b>Property</b>			
OnePath Global Property Securities Index	0.78	0.03	0.81
OnePath Property Securities	1.00	0.05	1.05
Vanguard Australian Property Securities Index	0.75	0.00	0.75
<b>Australian shares</b>			
Ausbil Australian Emerging Leaders <sup>§#</sup>	1.25	0.30	1.55
Bennelong Australian Equities	0.97	0.16	1.13
BlackRock Scientific Australian Equity	1.00	0.01	1.01
Colonial First State Imputation <sup>§</sup>	1.00	0.27	1.27
Fidelity Australian Equities	1.05	0.03	1.08
Greencap Broadcap <sup>#</sup>	1.15	0.64	1.79
Investors Mutual Australian Shares	1.20	0.00	1.20

Investment fund	Total Ongoing Fees and Costs		
	(A) Ongoing Fee* (% p.a.)	(B) Indirect Costs/Indirect Cost Ratio^ (% p.a.)	(C = A + B) Total Fees and Costs (% p.a.)
Single manager investment funds (continued)			
<b>Investor Profile 5 – High growth (continued)</b>			
Merlon Australian Share Income	1.16	0.20	1.36
Nikko AM Australian Shares <sup>§</sup>	1.00	0.26	1.26
OnePath Australian Shares	1.00	0.13	1.13
OnePath Blue Chip Imputation**	1.05	0.18	1.23
OnePath Emerging Companies <sup>§</sup>	1.05	0.23	1.28
OnePath Geared Australian Shares Index <sup>†</sup>	1.65	0.12	1.77
OnePath Select Leaders	1.00	0.26	1.26
OnePath Sustainable Investments – Australian Shares	1.00	0.10	1.10
Pendal Australian Shares	1.00	0.07	1.07
Pendal Smaller Companies <sup>§</sup>	1.32	0.39	1.71
Perennial Value Shares	1.00	0.15	1.15
Perpetual Australian Shares <sup>§</sup>	1.25	0.32	1.57
Perpetual Ethical SRI	1.40	0.08	1.48
Schroder Australian Equity	1.00	0.03	1.03
Vanguard Australian Shares Index	0.70	0.00	0.70
<b>Global shares</b>			
Altrinsic Global Equities	1.37	0.00	1.37
Antipodes Global (Long only) <sup>§#</sup>	1.28	0.38	1.66
Arrowstreet Global Equity (Hedged) <sup>§</sup>	1.28	0.33	1.61
BlackRock Scientific International Equity	1.30	0.14	1.44
Magellan Global <sup>#</sup>	1.65	0.03	1.68
MFS Global Equity	1.20	0.04	1.24
OnePath Global Emerging Markets Shares	1.25	0.12	1.37
OnePath Global Shares	1.15	0.07	1.22
OptiMix Global Smaller Companies Shares <sup>§</sup>	1.55	0.42	1.97
Pendal Core Hedged Global Shares <sup>§</sup>	1.20	0.34	1.54
Platinum Asia	1.98	0.50	2.48
Platinum International	1.80	0.08	1.88
Stewart Investors WorldWide Sustainability	1.45	0.15	1.60
T. Rowe Price Global Equity	1.40	0.00	1.40
Vanguard International Shares Index	0.78	0.00	0.78
Vanguard International Shares Index (Hedged)	0.78	0.01	0.79
Walter Scott Global Equity (Hedged)	1.43	0.10	1.53
<b>Multi-sector</b>			
Vanguard High Growth Index	0.85	0.02	0.87

Total Ongoing Fees and Costs			
	(A) Ongoing Fee* (% p.a.)	(B) Indirect Costs/Indirect Cost Ratio^ (% p.a.)	(C = A + B) Total Fees and Costs (% p.a.)
Investment fund			
Single manager investment funds (continued)			
Investor Profile 5 – High growth (continued)			
<b>Infrastructure</b>			
Colonial First State Global Listed Infrastructure <sup>§</sup>	1.25	0.74	1.99
RARE Infrastructure Value	1.40	0.23	1.63
<b>Applying to OneAnswer Frontier Super and Pension only:</b>			
MoneyForLife Index Conservative	0.75	0.03	0.78
MoneyForLife Index Balanced	0.85	0.03	0.88
MoneyForLife Index Moderate	0.80	0.03	0.83

^ Some components of the indirect costs (or indirect cost ratio) determined for the 12 months ending 30 June in the previous complete financial year have been estimated.

\* The Ongoing Fees for OptiMix and OnePath investment funds are estimated investment fees for a complete financial year ending 30 June and may vary during the year.

§ During the financial year ended 30 June 2020 there were extraordinary trading costs incurred in a number of investment markets. This was a result of market uncertainty resulting from COVID-19. Increases in buy-sell spreads went some way to offsetting these costs. These conditions lead to extraordinary transaction costs which are included above but are not expected to be incurred in future years.

\*\* For example, for every \$1,000 invested in OnePath Blue Chip Imputation, an Ongoing Fee of \$10.50 will be charged each year. This example is for illustrative purposes only.

† This investment option has indirect costs in addition to the transaction costs included on pages 22 to 24 of the OneAnswer Frontier Investment Portfolio PDS and pages 15 to 18 of the OneAnswer Frontier Personal Super and Pension Fees Guide.

# A performance-related fee may be payable in relation to this investment fund and where payable in the previous complete financial year the fee has been included above. Please refer to 'Performance-related fees' on page 18 of the OneAnswer Frontier Investment Portfolio PDS and page 8 of the OneAnswer Frontier Personal Super and Pension Fees Guide for further details.

‡ This is the Ongoing Fee charged on the net assets of the investment fund. Assuming a gearing ratio of 50%, this would represent an Ongoing Fee on gross assets of 0.825% p.a.

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