

IMPORTANT CHANGES AND INFORMATION

30 June 2018

A summary of significant product or regulatory changes that may impact your Integra Super account.

1 Your 2018 Annual Report

In line with ANZ Wealth's ongoing commitment to reducing our impact on the environment, your Annual Report will be available online in December at onepath.com.au > Personal > Forms & brochures > select the product name > Reports tab.

If you would like to receive a hard copy (free of charge) please contact Customer Services on 133 665.

2 Are your contact details up to date?

For superannuation accounts, if you are under age 65 and we do not have contact details for you, you have not contacted us during the last 12 months, and we have not received a contribution or rollover from you, or on your behalf, in the last 12 months, we may be required to close your account and pay it to the Australian Taxation Office (ATO) if your balance is under the legislated threshold. The threshold is \$6,000 from 31 December 2016.

Once this happens, you will lose any insurance associated with the account, and will need to contact the ATO about payment options. Although you can request the monies be redirected to OnePath, this would generally require a new account to be set up, which is not available for all products, and would have pre-existing conditions limitations on any insurance.

Because we don't have your contact details, you will not be provided with prior notification of this happening or confirmation from us that it has happened. However, you will be able to see the amount as Unclaimed Monies by logging on to the MyGov website, my.gov.au

If you have not provided your phone number or email address, you can do so by calling or emailing us.

In the 2018/19 Federal Budget, the government announced changes to supplement the current regime for transferring lost member balances to the ATO, to protect members with low balances. From the 2019/20 financial year, superannuation funds will be required to transfer inactive accounts (i.e. no contribution has been received within the last 13 months) with balances below \$6,000 to the ATO.

In addition, the ATO will be able to consolidate the amount with an active account of the member, where the balance of the consolidated account is \$6,000 or more. This proposed change is yet to be legislated and may be subject to change during this process.

3 Early Release of Superannuation under Compassionate Grounds

From 1 July 2018, the Department of Human Services (DHS) will no longer administer Early Release of Superannuation under Specified Compassionate Grounds. From this date, the ATO will be overseeing the administration of all Specified Compassionate Ground requests. Contact the ATO for more information including access to the application portal.

4 Changes to complaints resolution services from 1 November 2018

From 1 November 2018, the Superannuation Complaints Tribunal (SCT) and the Financial Ombudsman Service (FOS) will cease to hear new complaints. From this date new complaints should be directed to the Australian Financial Complaints Authority (AFCA). Any issues already registered with FOS or the SCT will continue to be handled by these bodies.

Australian Financial Complaints Authority
GPO Box 3, Melbourne, VIC 3001
Phone: 1800 931 678
Email: info@afc.org.au
Website: afc.org.au

If you have a complaint, please raise it with us first and we will do our best to resolve it quickly and fairly.



5

OptiMix and OnePath Diversified Funds – strategic asset allocation changes

From 18 September 2017, the strategic asset allocation benchmarks and associated ranges of the OptiMix and OnePath Diversified Funds (the 'Funds') were adjusted.

We believe these changes will better position the Funds to meet their investment objective as lower returns are expected from cash over the next 10 years. Furthermore, the investment ranges remain sufficiently broad to allow the investment team to manage downside risks effectively. These changes will not impact the Funds' investment strategies, investment objective or level of investment risk.

The changes are outlined in the tables on the following pages

OptiMix Conservative

Asset Class [†]	Previous			Effective 18 September 2017		
	Bench- mark (%)	Min Range (%)	Max Range (%)	Bench- mark (%)	Min Range (%)	Max Range (%)
Cash	20	7	43	7	0	27
Australian fixed interest	18	5	31	22	12	32
International fixed interest	20	7	33	20	10	30
Listed real assets	3	0	12	4	0	12
Australian shares	12	0	25	10	0	20
International shares	10	0	23	12	2	22
Alternative assets	17	5	29	25	13	37

† The maximum exposure to growth assets for the OptiMix Conservative Fund is 43%. International shares may include exposure to emerging market and/or global small cap securities. Listed real assets may include allocations to Global Listed Property and Listed Infrastructure. The Alternative Assets portfolio may include investments such as hedge funds, infrastructure, private equity and real estate. These assets may require a longer period of time to liquidate (i.e. greater than 30 days).

OptiMix Moderate

Asset Class [†]	Previous			Effective 18 September 2017		
	Bench- mark (%)	Min Range (%)	Max Range (%)	Bench- mark (%)	Min Range (%)	Max Range (%)
Cash	8	0	31	5	0	25
Australian fixed interest	14	0	32	17	2	32
International fixed interest	17	0	35	14	0	29
Listed real assets	3	0	12	6	0	16
Australian shares	20	2	38	18	3	33
International shares	19	1	37	20	5	35
Alternative assets	19	5	33	20	4	36

† The maximum exposure to growth assets for the OptiMix Moderate Fund is 69%. International shares may include exposure to emerging market and/or global small cap securities. Listed real assets may include allocations to Global Listed Property and Listed Infrastructure. The Alternative Assets portfolio may include investments such as hedge funds, infrastructure, private equity and real estate. These assets may require a longer period of time to liquidate (i.e. greater than 30 days).

OptiMix Balanced

Asset Class [†]	Previous			Effective 18 September 2017		
	Bench- mark (%)	Min Range (%)	Max Range (%)	Bench- mark (%)	Min Range (%)	Max Range (%)
Cash	4	0	27	3	0	23
Australian fixed interest	8	0	31	9	0	29
International fixed interest	9	0	32	8	0	28
Listed real assets	3	0	12	6	0	16
Australian shares	29	6	52	27	7	47
International shares	27	4	50	29	9	49
Alternative assets	20	6	34	18	1	38

† The maximum exposure to growth assets for the OptiMix Balanced Fund is 93%. International shares may include exposure to emerging market and/or global small cap securities. Listed real assets may include allocations to Global Listed Property and Listed Infrastructure. The Alternative Assets portfolio may include investments such as hedge funds, infrastructure, private equity and real estate. These assets may require a longer period of time to liquidate (i.e. greater than 30 days).

OptiMix Growth

Asset Class [†]	Previous			Effective 18 September 2017		
	Bench- mark (%)	Min Range (%)	Max Range (%)	Bench- mark (%)	Min Range (%)	Max Range (%)
Cash	0	0	23	1	0	21
Australian fixed interest	4	0	27	4	0	24
International fixed interest	6	0	29	5	0	25
Listed real assets	3	0	12	8	0	18
Australian shares	35	12	58	34	14	54
International shares	34	11	57	35	15	55
Alternative assets	18	4	33	13	0	33

† The maximum exposure to growth assets for the OptiMix Growth Fund is 100%. International shares may include exposure to emerging market and/or global small cap securities. Listed real assets may include allocations to Global Listed Property and Listed Infrastructure. The Alternative Assets portfolio may include investments such as hedge funds, infrastructure, private equity and real estate. These assets may require a longer period of time to liquidate (i.e. greater than 30 days).

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Asset Class†	Previous			Effective 18 September 2017		
	Bench-mark (%)	Min Range (%)	Max Range (%)	Bench-mark (%)	Min Range (%)	Max Range (%)
Cash	8	0	31	5	0	25
Australian fixed interest	14	0	32	17	2	32
International fixed interest	17	0	35	14	0	29
Listed real assets	3	0	12	6	0	16
Australian shares	20	2	38	18	3	33
International shares	19	1	37	20	5	35
Alternative assets	19	5	33	20	4	36

† The maximum exposure to growth assets for the OptiMix Moderate Fund is 69%. International shares may include exposure to emerging market and/or global small cap securities. Listed real assets may include allocations to Global Listed Property and Listed Infrastructure. The Alternative Assets portfolio may include investments such as hedge funds, infrastructure, private equity and real estate. These assets may require a longer period of time to liquidate (i.e. greater than 30 days).

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Asset Class†	Previous			Effective 18 September 2017		
	Bench-mark (%)	Min Range (%)	Max Range (%)	Bench-mark (%)	Min Range (%)	Max Range (%)
Cash	4	0	27	3	0	23
Australian fixed interest	8	0	31	9	0	29
International fixed interest	9	0	32	8	0	28
Listed real assets	3	0	12	6	0	16
Australian shares	29	6	52	27	7	47
International shares	27	4	50	29	9	49
Alternative assets	20	6	34	18	1	38

† The maximum exposure to growth assets for the OptiMix Balanced Fund is 93%. International shares may include exposure to emerging market and/or global small cap securities. Listed real assets may include allocations to Global Listed Property and Listed Infrastructure. The Alternative Assets portfolio may include investments such as hedge funds, infrastructure, private equity and real estate. These assets may require a longer period of time to liquidate (i.e. greater than 30 days).

OptiMix Growth

Asset Class†	Previous			Effective 18 September 2017		
	Bench-mark (%)	Min Range (%)	Max Range (%)	Bench-mark (%)	Min Range (%)	Max Range (%)
Cash	0	0	23	1	0	21
Australian fixed interest	4	0	27	4	0	24
International fixed interest	6	0	29	5	0	25
Listed real assets	3	0	12	8	0	18
Australian shares	35	12	58	34	14	54
International shares	34	11	57	35	15	55
Alternative assets	18	4	33	13	0	33

† The maximum exposure to growth assets for the OptiMix Growth Fund is 100%. International shares may include exposure to emerging market and/or global small cap securities. Listed real assets may include allocations to Global Listed Property and Listed Infrastructure. The Alternative Assets portfolio may include investments such as hedge funds, infrastructure, private equity and real estate. These assets may require a longer period of time to liquidate (i.e. greater than 30 days).

OptiMix High Growth

Asset Class†	Previous			Effective 18 September 2017		
	Bench-mark (%)	Min Range (%)	Max Range (%)	Bench-mark (%)	Min Range (%)	Max Range (%)
Cash	0	0	23	1	0	21
Australian fixed interest	0	0	23	0	0	20
International fixed interest	0	0	23	0	0	20
Listed real assets	3	0	12	8	0	18
Australian shares	43	20	66	40	20	60
International shares	42	19	65	45	25	65
Alternative assets	12	3	28	6	0	26

† The maximum exposure to growth assets for the OptiMix High Growth Fund is 100%. International shares may include exposure to emerging market and/or global small cap securities. Listed real assets may include allocations to Global Listed Property and Listed Infrastructure. The Alternative Assets portfolio may include investments such as hedge funds, infrastructure, private equity and real estate. These assets may require a longer period of time to liquidate (i.e. greater than 30 days).

6

Integra Super investment menu enhancements

At ANZ Wealth, we're committed to helping you achieve your financial goals by regularly reviewing the investment menu of Integra Super, making sure you have access to market-leading investment funds.

Replacement funds

In September 2017, the underlying funds of two investment funds were replaced with new underlying funds that are highly-rated and well-positioned to deliver a strong performance over the long-term. The table below provides details of the investment funds that were changed. If you were invested in one of the investment funds noted in the 'Previous investment fund' column below, then your investment is now in the 'Replacement investment fund'. The change occurred at the underlying fund level in September 2017.

We believe the replacement investment funds are more likely to meet their investment objectives, and provide stronger risk-adjusted performance over the long term.

Overview of key changes

Previous investment fund	Replacement investment fund	Ongoing fees (% p.a.)*	Previous Buy/sell spreads	New Buy/sell spreads
Capital Group Global Equities (Hedged)	BT Core Hedged Global Shares	Lower by 0.05% p.a.	0.10% / 0.10%	0.05% / 0.05%
Zurich Investments Global Thematic Shares	Antipodes Global (Long only)	Lower by 0.02% p.a. & introducing performance fee**	0.08% / 0.08%	0.30% / 0.30%

* For the ongoing fees applicable, please refer to the relevant Product Disclosure Statements.

** The Antipodes Global (Long only) fund has a performance fee of 15%, which applies when the underlying fund outperforms the MSCI All Country World Net Index in AUD.

What do these changes mean for investors?

- The investment objective, investment strategy, asset allocation benchmark, asset allocation ranges and the underlying fund manager changed.
- The ongoing fees remained the same or reduced, except for the Antipodes Global (Long only) fund which has a performance fee of 15% which applies when the underlying fund outperforms the MSCI All Country World Net Index in AUD.
- New Buy/sell spreads apply to applications and withdrawals.
- These transitions did not affect investors' accounts in terms of the current unit price, nor did they result in a transaction at the account level as the changes occurred at the underlying fund level.
- The name(s) of the investment fund(s) changed in correspondence and statements.

The fund profiles for the replacement funds are provided below:



Antipodes Global (Long only)

Investment objective

To provide absolute returns in excess of the MSCI All Country World Index over the investment cycle (typically three to five years) at below market levels of risk.

Investment strategy

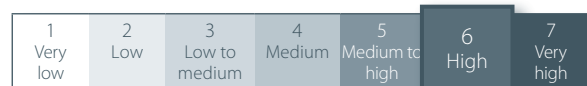
The fund typically invests in a select number of attractively valued companies listed on global share markets (usually between 20 and 60). The fund is also permitted to utilise exchange traded derivatives for risk management purposes subject to the specific restrictions that such derivatives cannot be used to gear portfolio exposure and that the underlying effective face value is limited to 10% of the NAV of the fund unless used to manage currency risk.

Currency exposure will generally reflect the currency of the underlying securities. However, where the Investment Manager believes there is a strong likelihood of a decline in the underlying currency, currency derivatives, both over-the-counter and exchange traded, may be used to hedge subject to the specific restriction that such derivatives cannot be used to gear portfolio exposure.

Minimum time horizon

5 years

Standard Risk Measure



For more information on Risk Profile, see the Standard Risk Measure on page 5.

Asset allocation

Asset class	Benchmark (%)	Range (%)
Cash equivalent investments	0	0-25
International equities*	100	75-100

Underlying fund: Antipodes Global Fund – Long only

* For reasons of investment efficiency, the fund may gain its exposure by holding units in other pooled funds and/or through direct investment holdings.



BT Core Hedged Global Shares

Investment objective

The fund aims to provide a return (before fees, costs and taxes) that exceeds MSCI World ex Australia (Standard) Index (Net Dividends) hedged to AUD over the medium to long term. The suggested investment timeframe is five years or more.

Investment strategy

As manager for the fund's international shares, AQR's investment process is based on their quantitative investment strategies and aims to add value through active stock and industry selection and investment research. AQR employs a systematic investment process to maintain a highly diversified and risk controlled portfolio that reflects their valuation and momentum philosophy. Value investing is buying securities that are cheap and selling those that are expensive. Momentum investing is buying securities that are improving and selling securities that are deteriorating. AQR's investment research focuses on valuation, momentum, earnings quality, investor sentiment, sustainable growth and management quality themes. Whilst the fund can invest in any international sharemarket that offers attractive opportunities, most investments will be located in the United States, Europe and Japan. The fund may also hold cash and may use derivatives. The fund has assets that are denominated in foreign currencies. The fund's foreign currency exposure will generally be fully hedged back to the Australian dollar to the extent considered reasonably practicable.

Minimum time horizon

5 years

Standard Risk Measure



For more information on Risk Profile, see the Standard Risk Measure on this page.

Asset allocation

Asset class	Benchmark (%)	Range (%)
Cash		0 – 20
International shares	100	80–100

Underlying fund: BT Wholesale Core Hedged Global Share Fund



Standard Risk Measure

The Standard Risk Measure is based on industry guidelines to allow investors to compare investment funds that are expected to deliver a similar number of negative annual returns over any 20-year period.

The Standard Risk Measure is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than an investor may require to meet their objectives.

Further, it does not take into account the impact of any ongoing fees and tax on the likelihood of a negative return. Investors should still ensure they are comfortable with the risks and potential losses associated with their chosen investment fund(s).

How to read an investment profile

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

Updated Standard Risk Measures

Investment Fund name	Previous Risk Band and Risk Label	New Risk Band and Risk Label
OnePath Alternatives Growth	7 – Very high	6 – High
OptiMix Australian Fixed Interest	5 – Medium to high	6 – High
Vanguard International Shares Index (Hedged)	7 – Very high	6 – High

8

Australian Prudential Regulation Authority levy and Regulatory Change expense recovery

Australia's superannuation system is amongst the best in the world*. It is well regulated, however it is also very complex, and has undergone a large amount of regulatory change and Government reforms in recent years.

All Australian Prudential Regulation Authority (APRA) regulated superannuation funds are charged an APRA Levy each year to recover the general operational costs of APRA. The cost of this levy is passed onto members of the OnePath MasterFund (Fund), resulting in 0.006% being applied against the investments of the Fund for the 12 months to 30 June 2018.

In addition, to cover some of the costs incurred to comply with the Government's superannuation regulatory changes and consistent with the approach taken by many superannuation funds across the industry, the Trustee approved an expense recovery of 0.037% to be applied against the investments of the Fund for the 12 months to 30 June 2018.

In June 2018, the combined APRA levy and Regulatory Change expense recovery of 0.043% was deducted from the unit price of each of your investment fund(s), excluding OnePath Capital Guaranteed (which does not have a unit price). As an example, for a member with a balance of \$50,000, the total impact of this deduction was \$21.50.

Please note, the levy and expense recovery are charged directly from your account. They are deducted from the unit price of each of your investments and will appear on your statement as 'Administration Fee (other)'.

For the 12 months to 30 June 2019 we estimate the APRA levy and expense recovery will be up to 0.08% p.a., which will be reflected in the unit price for members on the day the levy and expense recovery are charged.

* Source: the Melbourne Mercer Global Pension Index report from 2017. Australia was one of only three countries to receive a B+ rating (no countries received an A).

9

Annual Statements for super – additional explanatory notes

The following explanatory notes are to be read together with your 2018 Annual Statement for your super account. If you have any further questions about your Annual Statement, please speak to your financial adviser or call Customer Services on 133 665.

Contributions tax

Contributions tax of 15% will apply to any super contributions that you make before tax (concessional contributions). This includes contributions made by your employer (including salary sacrifice contributions) and contributions you are eligible to claim as a personal tax deduction (subject to lodgement of a valid 'Notice of intent to claim a tax deduction' form).

In calculating the amount of tax payable, we may make allowance for the benefit of tax deductions on transactions such as the payment of insurance fees.

If you are claiming a tax deduction for personal contributions that you made in the Annual Statement period, the related contributions tax on these contributions will only appear in the Annual Statement if we received your 'Notice of intent to claim a tax deduction' form by the relevant date and the notice has been acknowledged by the Trustee.

The untaxed element of a roll-over superannuation benefit and certain foreign super fund transfers are also subject to 15% tax. The tax payable is shown on your Annual Statement.

Additional tax for high income earners (Division 293 tax)

An additional 15% tax may apply to certain concessional contributions if your income for surcharge purposes plus your low tax contributions for a financial year exceeds \$250,000 (from 1 July 2017). For further information please visit the ATO website at ato.gov.au or speak to your financial adviser.

Preservation status

Unrestricted Non-Preserved Benefit is the amount of the withdrawal benefit at the close of the reporting period that you can access at any time.

Restricted Non-Preserved Benefit is the amount of the withdrawal benefit at the close of the reporting period that you can access, if you leave an employer who has contributed to this fund on your behalf, or when preserved benefits are payable.

Preserved Benefit is the amount of withdrawal benefit at the close of the reporting period required to be preserved by the Trust Deed and super legislation governing your benefits. Generally, you cannot access this amount until age 65, or once you have reached your preservation age (between age 55 and 60, depending on your date of birth) and you have retired.

The total of the preservation components is net of withdrawal fees and contributions tax payable on contributions that were made up to the end of the reporting period. Please note: where no-TFN contributions tax is payable, the total of the preservation components will differ from the withdrawal amount as any no-TFN contributions tax is deducted from the withdrawal amount and not from the preservation components.

Super Guarantee Allocation

The Super Guarantee Allocation is an amount representing the Super Guarantee Charge. This amount is an employee entitlement determined by the ATO and represents a superannuation guarantee (9.5% for the 2018/19 financial year) shortfall and interest for the shortfall.

This amount may appear on your Annual Statement as either an addition or a deduction. An addition represents a payment from the ATO into your account. A deduction may be the correction of a payment received to your account or the recovery of an overpayment by the ATO.

This amount is determined by the ATO, so you should speak to your financial adviser or contact the ATO if you have any questions.

Government contributions

Government contributions can include the Government co-contribution and the Low Income Superannuation Contribution Tax Offset (LISTO) from 1 July 2017 (or Low Income Superannuation Contribution or LISC before 1 July 2017).

The Government co-contribution helps eligible low and middle income earners who make personal (after-tax) contributions boost their superannuation. The amount of the co-contribution (maximum \$500) depends on your income and how much you contribute.

The LISTO effectively returns the 15% contributions tax (up to \$500) on concessional contributions made in a financial year for low income earners.

The co-contribution may appear on your statement as either an addition or deduction. An addition represents a payment from the ATO into your account and a deduction may be the correction of a payment received to your account or the recovery of an overpaid co-contribution by the ATO. Conditions apply. You should speak to your financial adviser or contact the ATO in relation to the amount paid.

Contact us

 Phone 133 655

 Email customer@onepath.com.au

OnePath Custodians Pty Limited (ABN 12 008 508 496, AFSL 238346, RSE L0000673) is the trustee of the OnePath MasterFund (ABN 53 789 980 697, RSE R1001525, SFN 292 916 944) (Fund) and issuer of this Member Update. The issuer is a wholly owned subsidiary of Australia and New Zealand Banking Group Limited (ABN 11 005 357 522) (ANZ). ANZ is an authorised deposit taking institution (Bank) under the Banking Act 1959 (Cth). Although the issuer is owned by ANZ it is not a Bank. Except as described in the relevant Product Disclosure Statement (PDS), an investment with the issuer is not a deposit or other liability of ANZ or its related group companies and none of them stands behind or guarantees the issuer or the capital or performance of an investment. Any investment is subject to investment risk, including possible repayment delays and loss of income and principal invested. Returns can go up and down. Past performance is not indicative of future performance.

This publication is for members who have an Integra Super account.

This information is current as at August 2018 but may be subject to change. You should read the relevant Financial Services Guide (FSG), PDS, product and other updates (for open and closed products) available at onepath.com.au and consider whether the product is right for you before making a decision to acquire, or to continue to hold the product. Updated information will be available free of charge by calling Customer Services on 133 665. Taxation law is complex and this information has been prepared as a guide only and does not represent tax advice. Please see your tax adviser for independent taxation advice.

The information provided is of a general nature and does not take into account your personal needs, financial circumstances or objectives. Before acting on this information, you should consider the appropriateness of the information, having regard to your needs, financial circumstances or objectives. The case studies used in this Member Update are hypothetical and are not meant to illustrate the circumstances of any particular individual. Opinions expressed in this document are those of the authors only.

In addition to their salary, ANZ staff members may receive monetary or non-monetary benefits depending on the product they are selling or providing advice on. You may request further information from ANZ. Other key features including insurance, available investment funds and performance, exit fees and functionality are relevant when choosing a super fund.