UPDATES TO BUY-SELL SPREADS FOR ONEANSWER

PDS Update and Continuous Disclosure Notice | 6 April 2020

This Product Disclosure Statement (PDS) Update and Continuous Disclosure Notice provides important information about changes to the Buy-Sell Spreads for the following funds (collectively ‘the Funds’) offered through OneAnswer:

- Arrowstreet Global Equity (Hedged)
- OnePath Active Growth
- OnePath Alternatives Growth
- OnePath Balanced
- OnePath Conservative*
- OnePath Diversified Credit
- OnePath Diversified Fixed Interest
- OnePath Managed Growth
- OptiMix Australian Fixed Interest
- OptiMix Conservative
- OptiMix Moderate
- OptiMix Balanced
- OptiMix Growth
- Pendal Core Hedged Global Shares
- Perpetual Balanced Growth
- Perpetual Conservative Growth
- T. Rowe Price Dynamic Global Bond
- Vanguard Diversified Bond Index
- Vanguard Conservative Index
- Vanguard Balanced Index
- Vanguard Growth Index
- Vanguard High Growth Index
- OnePath Capital Stable*
- MoneyForLife Index Conservative^*
- MoneyForLife Index Moderate^*
- MoneyForLife Index Balanced^*.

* Only available through OneAnswer Frontier.
# Only available through Personal Super and Pension.
^ Closed to new investors/members.
These buy-sell spread changes impact the following OneAnswer products:

- OneAnswer Frontier Investment Portfolio
- OneAnswer Frontier Personal Super
- OneAnswer Frontier Pension
- OneAnswer Investment Portfolio (including //Select)
- OneAnswer Personal Super
- OneAnswer Allocated Pension
- OneAnswer Term Allocated Pension.

WHY HAVE THE UNDERLYING ASSET MANAGERS MADE THESE CHANGES?

- Recent market fears over COVID-19 have caused market liquidity to deteriorate remarkably in a very short period of time, impacting all segments of the Australian fixed-income market.
- Given the current market trading conditions for credit based products, previous buy and sell spreads are no longer reflective of the current cost of trading in the market place.
- Increased Buy-Sell Spreads are required to cover increased transaction costs in the markets for the assets held by the Funds.

WHAT DO THE CHANGES MEAN FOR INVESTORS/MEMBERS?

- These new spreads have been applied to the Funds and are reflected in the unit prices.
- Please note, that the Buy-Sell Spread protects non-transacting investors/members from the asset trading costs incurred when other investors buy or sell units.
- These steps are not taken lightly but are necessary precautions to temporarily protect investors/members whilst this period of uncertainty continues. Market conditions are being monitored closely and the Buy-Sell Spreads of the Funds are likely to be re-adjusted when appropriate.

This PDS Update amends the following documents issued on 1 February 2020:

- Buy-Sell Spread Guide
- OneAnswer Frontier Personal Super and Pension Product Disclosure Statement (PDS)
- OneAnswer Frontier Personal Super and Pension Fees Guide
- OneAnswer Frontier Investment Portfolio PDS – Product Book
- OneAnswer Investment Portfolio PDS – Product Book
- OneAnswer Investment Portfolio//Select – Fees and Charges Guide.
WHAT IS CHANGING?

1. Buy-Sell Spreads

The buy-sell spreads for the following Funds have changed.

<table>
<thead>
<tr>
<th>Investment fund</th>
<th>Previous Buy Spread %</th>
<th>Previous Sell Spread %</th>
<th>New Buy Spread %</th>
<th>New Sell Spread %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arrowstreet Global Equity (Hedged)</td>
<td>0.21</td>
<td>0.21</td>
<td>0.21</td>
<td>0.16</td>
</tr>
<tr>
<td>OnePath Active Growth</td>
<td>0.02</td>
<td>0.02</td>
<td>0.06</td>
<td>0.06</td>
</tr>
<tr>
<td>OnePath Alternatives Growth</td>
<td>0.10</td>
<td>0.10</td>
<td>0.36</td>
<td>0.36</td>
</tr>
<tr>
<td>OnePath Balanced</td>
<td>0.02</td>
<td>0.02</td>
<td>0.09</td>
<td>0.09</td>
</tr>
<tr>
<td>OnePath Conservative</td>
<td>0.02</td>
<td>0.02</td>
<td>0.12</td>
<td>0.12</td>
</tr>
<tr>
<td>OnePath Diversified Credit</td>
<td>0.05</td>
<td>0.05</td>
<td>0.28</td>
<td>0.28</td>
</tr>
<tr>
<td>OnePath Diversified Fixed Interest</td>
<td>0.05</td>
<td>0.05</td>
<td>0.22</td>
<td>0.22</td>
</tr>
<tr>
<td>OnePath Managed Growth</td>
<td>0.02</td>
<td>0.02</td>
<td>0.06</td>
<td>0.06</td>
</tr>
<tr>
<td>OptiMix Australian Fixed Interest</td>
<td>0.05</td>
<td>0.05</td>
<td>0.31</td>
<td>0.31</td>
</tr>
<tr>
<td>OptiMix Balanced</td>
<td>0.04</td>
<td>0.04</td>
<td>0.07</td>
<td>0.07</td>
</tr>
<tr>
<td>OptiMix Conservative</td>
<td>0.03</td>
<td>0.03</td>
<td>0.11</td>
<td>0.11</td>
</tr>
<tr>
<td>OptiMix Growth</td>
<td>0.05</td>
<td>0.05</td>
<td>0.06</td>
<td>0.06</td>
</tr>
<tr>
<td>OptiMix Moderate</td>
<td>0.04</td>
<td>0.04</td>
<td>0.09</td>
<td>0.09</td>
</tr>
<tr>
<td>Pendal Core Hedged Global Shares</td>
<td>0.05</td>
<td>0.05</td>
<td>0.25</td>
<td>0.25</td>
</tr>
<tr>
<td>Perpetual Balanced Growth</td>
<td>0.17</td>
<td>0.17</td>
<td>0.41</td>
<td>0.00</td>
</tr>
<tr>
<td>Perpetual Conservative Growth</td>
<td>0.13</td>
<td>0.13</td>
<td>0.61</td>
<td>0.00</td>
</tr>
<tr>
<td>T. Rowe Price Dynamic Global Bond</td>
<td>0.25</td>
<td>0.25</td>
<td>0.75</td>
<td>0.75</td>
</tr>
<tr>
<td>Vanguard Balanced Index</td>
<td>0.03</td>
<td>0.03</td>
<td>0.18</td>
<td>0.18</td>
</tr>
<tr>
<td>Vanguard Conservative Index</td>
<td>0.03</td>
<td>0.03</td>
<td>0.21</td>
<td>0.21</td>
</tr>
<tr>
<td>Vanguard Diversified Bond Index</td>
<td>0.03</td>
<td>0.03</td>
<td>0.34</td>
<td>0.34</td>
</tr>
<tr>
<td>Vanguard Growth Index</td>
<td>0.03</td>
<td>0.03</td>
<td>0.12</td>
<td>0.12</td>
</tr>
<tr>
<td>Vanguard High Growth Index</td>
<td>0.02</td>
<td>0.02</td>
<td>0.05</td>
<td>0.05</td>
</tr>
<tr>
<td>OnePath Capital Stable (closed to new investors)</td>
<td>0.03</td>
<td>0.03</td>
<td>0.13</td>
<td>0.13</td>
</tr>
<tr>
<td>MoneyForLife Index Conservative (closed to new investors)</td>
<td>0.01</td>
<td>0.01</td>
<td>0.08</td>
<td>0.08</td>
</tr>
<tr>
<td>MoneyForLife Index Moderate (closed to new investors)</td>
<td>0.01</td>
<td>0.01</td>
<td>0.07</td>
<td>0.07</td>
</tr>
<tr>
<td>MoneyForLife Index Balanced (closed to new investors)</td>
<td>0.01</td>
<td>0.01</td>
<td>0.06</td>
<td>0.06</td>
</tr>
</tbody>
</table>
2. Fees and other costs information

The following updates relate to PDS documents that note the range of the Buy-sell spreads and therefore require updating.

**OneAnswer Frontier Personal Super and Pension – Fees Guide** page reference: 4

**Title reference:** Buy-sell spreads

**Instructions:** replace the selected content in this section with the following information.

<table>
<thead>
<tr>
<th>Type of fee</th>
<th>Amount</th>
<th>How and when paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buy-sell spread</td>
<td>Nil to 1.75% of each amount invested (buy spread) and of each amount withdrawn (sell spread) from an investment fund depending on the investment fund. The buy-sell spreads for each investment fund are available in the Buy-Sell Spread Guide at onepath.com.au/superandinvestments-forms-and-brochures</td>
<td>A buy-sell spread is an additional cost reflected in the daily unit prices for an investment fund and is not charged separately. As your account is valued using the sell unit price, all investments into an investment option will be reduced by approximately the total of the buy and sell spread at the time of the transaction.</td>
</tr>
</tbody>
</table>


**Title reference:** Buy-sell spreads

**Instructions:** replace the content in this section with the following information.

**Buy-sell spreads**

The buy-sell spread is used to allocate buy and sell transaction costs to an investor who is transacting rather than to investors in a particular investment fund who are not transacting. As the proceeds from a buy-sell spread are retained as part of the assets of an investment fund, no part of it is paid to us or to an underlying fund manager.

A buy-sell spread, currently up to a maximum of 1.75%, may apply to amounts invested or withdrawn from an investment fund. This may vary in future. These spreads are incorporated in the buy and sell unit prices. The buy and sell spreads for each investment fund are available in the Buy-Sell Spread Guide at onepath.com.au/superandinvestments-forms-and-brochures

For example, for every $1,000 that you invest in the Vanguard Growth Index fund, the buy spread you incur is currently 0.12% or $1.20. This amount is reflected in the ‘buy’ unit price at the time the units are purchased. At all times your account balance is valued at the ‘sell’ unit price which incorporates the sell spread. In the same example, the value of the investment of $1,000 will also take into account the sell spread of 0.12% or $1.20. This means that the total spread cost for the example $1,000 investment will be 0.24% or $2.40.

**OneAnswer Frontier Investment Portfolio – PDS Product Book** page reference: 17

**OneAnswer Investment Portfolio – PDS Product Book** page reference: 20

**OneAnswer Investment Portfolio/Select – PDS Product Book** page reference: 9

**Title reference:** Buy-sell spreads

**Instructions:** replace the selected content in the section with the following information.

**Buy-sell spreads**

The buy-sell spread is used to allocate buy and sell transaction costs to an investor who is transacting rather than to investors in a particular investment fund who are not transacting. As the proceeds from a buy-sell spread are retained as part of the assets of an investment fund, no part of it is paid to us or to an underlying fund manager.

A buy-sell spread, currently up to a maximum of 1.75%, may apply to amounts invested or withdrawn from an investment fund. This may vary in future. These spreads are incorporated in the buy and sell unit prices. The buy and sell spreads for each investment fund are available in the Buy-Sell Spread Guide at onepath.com.au/superandinvestments-forms-and-brochures

oneway.com.au

OnePath Funds Management Limited ABN 21 003 002 800, AFSL 238342
OnePath Custodians Pty Limited ABN 12 008 508 496, AFSL 238346, RSE L0000673
For example, for every $1,000 that you invest in the Vanguard Growth Index fund, the buy spread you incur is currently 0.12% or $1.20. This amount is reflected in the ‘buy’ unit price at the time the units are purchased. At all times your account balance is valued at the ‘sell’ unit price which incorporates the sell spread. In the same example, the value of the investment of $1,000 will also take into account the sell spread of 0.12% or $1.20. This means that the total spread cost for the example $1,000 investment will be 0.24% or $2.40.

**Note:** The Example above is illustrative only. There is a calculator provided by ASIC on its MoneySmart website which can be used to calculate the effect of fees and costs on account balances. Go to moneysmart.gov.au
buy-sell spreads for each investment fund are available in the Buy-Sell Spread Guide at onepath.com.au/superandinvestments-forms-and-brochures

ANY QUESTIONS?
If you have any questions, please:

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

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