



Account-based Pension

CHANGES TO OUR ADMINISTRATION FEE AND INVESTMENT OFFER

February 2021 | This is a Significant Event Notice for the purposes of the Corporations Act 2001.



Here at Mine Super, we take our responsibility to deliver exceptional retirement outcomes very seriously. One of the best ways we can do this is by continually enhancing the products we offer, while also maintaining a competitive fee structure for all members. With this in mind, there are **two changes** we'll be making to your pension from Thursday, 25 March 2021.

Changes to our administration fee

We're committed to keeping our fees as low as possible for all members throughout their journey to retirement. So that our costs are fairly spread, from Thursday, 25 March 2021 we'll be making some changes to how we charge our administration fees. Moving forward, the current fixed administration fee of \$180 pa will be replaced with a percentage-based administration fee of 0.16% pa of your account balance.

Before applying these changes, we worked hard to **reduce total investment fees and indirect costs** over the past 18 months. **This means most pension members will be paying less in fees than what they did a year or so ago.**

87% of pension members will be paying less in total fees than 18 months ago.

But how does this impact you? As your account balance and investment options make your individual situation unique, we've provided some helpful comparisons so you can better understand what the changes mean for you.

Consider this example: A member invested in the Balanced investment option or the Stable investment option, with a balance of \$50,000, \$100,000, \$250,000, \$500,000 or \$1,000,000. The examples below are calculated based on the fees applicable on 1 July 2019 and the new fees on Thursday, 25 March 2021.

Balanced investment option

Account balance	1 July 2019			25 March 2021		
	Administration fee (\$180 pa) (a)	Investment fee and indirect costs (0.85% pa) (b)*	Total fees (a) + (b)	Administration fee (0.16% pa) (a)	Investment fee and indirect costs (0.66% pa) (b)*	Total fees (a) + (b)
\$50,000	\$180	\$425	\$605	\$80	\$330	\$410
\$100,000	\$180	\$850	\$1,030	\$160	\$660	\$820
\$250,000	\$180	\$2,125	\$2,305	\$400	\$1,650	\$2,050
\$500,000	\$180	\$4,250	\$4,430	\$800	\$3,300	\$4,100
\$1,000,000	\$180	\$8,500	\$8,680	\$1,600	\$6,600	\$8,200

Stable investment option

Account balance	1 July 2019			25 March 2021		
	Administration fee (\$180 pa) (a)	Investment fee and indirect costs (0.72% pa) (b)*	Total fees (a) + (b)	Administration fee (0.16% pa) (a)	Investment fee and indirect costs (0.60% pa) (b)*	Total fees (a) + (b)
\$50,000	\$180	\$360	\$540	\$80	\$300	\$380
\$100,000	\$180	\$720	\$900	\$160	\$600	\$760
\$250,000	\$180	\$1,800	\$1,980	\$400	\$1,500	\$1,900
\$500,000	\$180	\$3,600	\$3,780	\$800	\$3,000	\$3,800
\$1,000,000	\$180	\$7,200	\$7,380	\$1,600	\$6,000	\$7,600

For more information, including similar breakdowns for our other investment options, please go to mine.com.au/compare

* These costs aren't directly deducted from your account. Rather, they're deducted from the investment options' earnings before the investment options' returns are calculated and distributed.

We're making enhancements to our Lifecycle Investment Strategy

This strategy is designed to take the worry out of managing your pension by automatically investing your nest egg in an investment mix we consider appropriate for your age.

From Thursday, 25 March 2021, we'll be making **two changes** to this strategy:

- Over the lifetime of the strategy, members will be invested in more **'growth assets'** (like shares and property) and for longer. Generally, growth assets perform better over the long term, so it makes sense to have a large part of your balance invested in them while you build up your nest egg.
- Members will also move to more **'defensive assets'** (like bonds and cash) in smaller amounts and more often. This is an important change as your pension won't automatically make sharp and sizeable shifts throughout your working life from one investment option to another.

As part of this change, we've also renamed two of our investment options to make them simpler and easier to understand with the names better reflecting their underlying investments. The Aggressive investment option will be called the **High Growth** investment option, while the Balanced investment option will be called the **Conservative Balanced** option.

We're making these changes because we expect them to increase investment exposure to growth assets for longer, reduce the risks associated with switching from one investment option to another in large steps and, most importantly, improve retirement outcomes for members.

NOTE: There are no changes to how the investment options are invested and their investment return objectives, which are reviewed on an ongoing basis in line with our standard review process. As some members will now move into a different investment option and / or investment mix, the associated investment fees and indirect costs may change. If none of your pension is invested in the Lifecycle Investment Strategy, you're not affected by the changes.

How will the new Lifecycle Investment Strategy work?

Currently, the Lifecycle Investment Strategy invests your pension in the Balanced investment option between the ages of 55 and 64, and the Stable investment option from age 65.

From Thursday, 25 March 2021, if you're aged between 55 and 64, you'll be invested in **two options** – **High Growth** and **Conservative Balanced** – with the percentage mix of your investment in these options changing each year in line with your birthday. As you get older, your investment allocation to Conservative Balanced will grow, while your investment allocation to High Growth will reduce.

If you're aged 65 and over, you'll now be invested fully in the Conservative Balanced investment option (previously called the Balanced investment option), instead of the Stable investment option.

How this works in practice is shown in the table below. As you can see, over the lifetime of the strategy, your investment in growth assets overall will be larger, and you'll move to less risky (or defensive assets) more regularly and in smaller amounts as you get older.

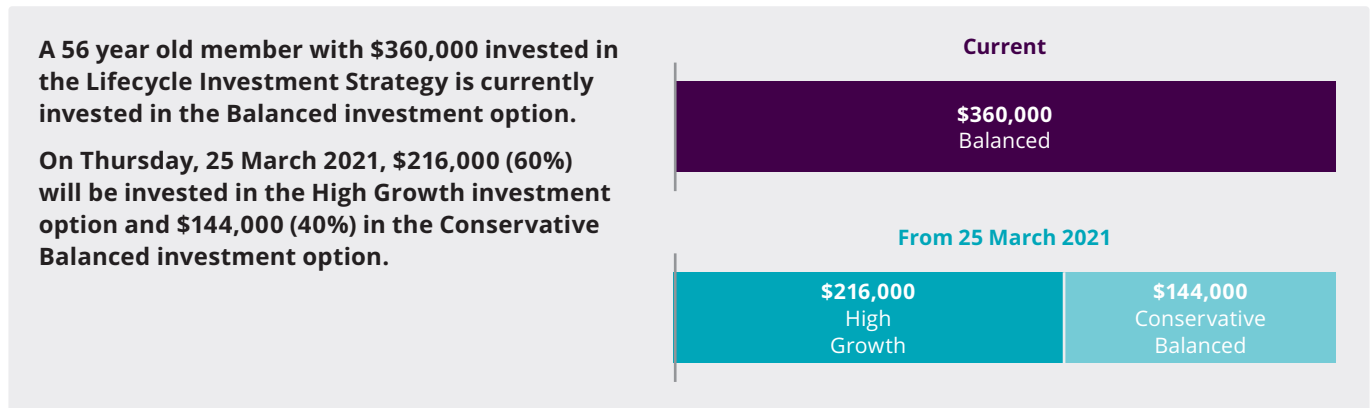
Age	Current			From 25 March 2021		
	Balanced	Stable	Growth assets	High Growth (previously Aggressive)	Conservative Balanced (previously Balanced)	Growth assets
55	100%	0%	59%	67%	33%	83%
56	100%	0%	59%	60%	40%	81%
57	100%	0%	59%	53%	47%	78%
58	100%	0%	59%	47%	53%	76%
59	100%	0%	59%	40%	60%	74%
60	100%	0%	59%	33%	67%	71%
61	100%	0%	59%	27%	73%	69%
62	100%	0%	59%	20%	80%	66%
63	100%	0%	59%	13%	87%	64%
64	100%	0%	59%	7%	93%	61%
≥65	0%	100%	39%	0%	100%	59%

How will you be affected by these changes?

The following scenarios provide a quick overview of how the changes will be applied to your account depending on your current exposure to the Lifecycle Investment Strategy. You can find out what you're invested in by logging in to your online account at mine.com.au/login or by giving us a call on 13 64 63. To work out exactly what this switch will mean for you, refer to the table on the left.

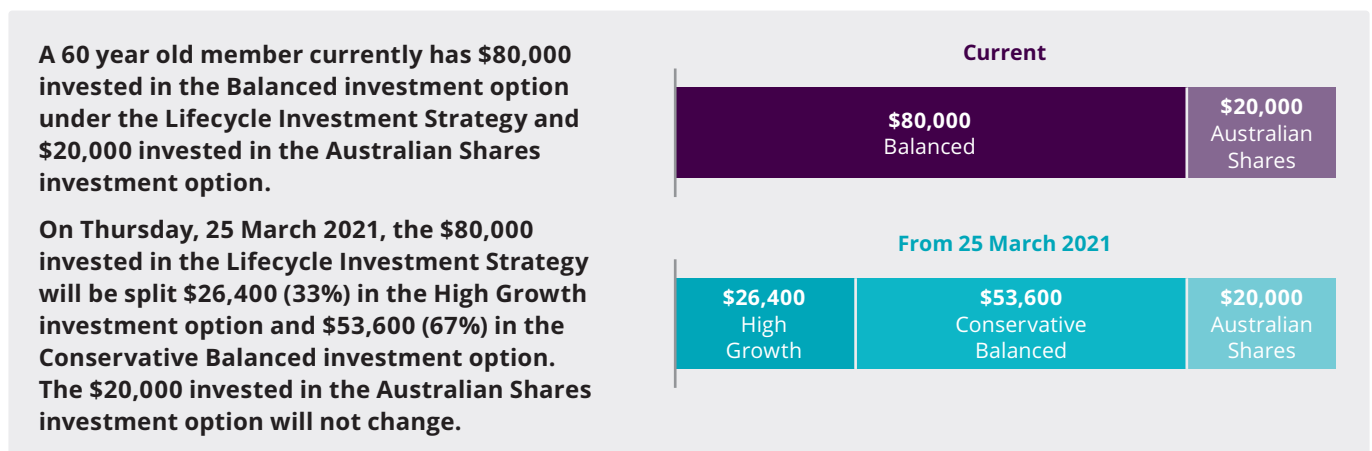
All your pension is invested in the Lifecycle Investment Strategy

On Thursday, 25 March 2021, your pension will be switched to the mix of investment options designated for your age. Consider this example:



Part of your pension is invested in the Lifecycle Investment Strategy

On Thursday, 25 March 2021, the portion of your pension in the Lifecycle Investment Strategy will be switched to the mix of investment options designated for your age. The part of your pension **not** invested in the Lifecycle Investment Strategy is not affected by these changes. Consider this example:



Don't want your pension to move to the new Lifecycle Investment Strategy on 25 March 2021?

All you need to do is log in to your online account at mine.com.au/login and switch your pension out of the Lifecycle Investment Strategy and into the investment options of your choice. You can also do this in writing using our **Make an investment choice** form, which you can find at mine.com.au/pension-forms

NOTE: If you do this, you'll no longer be invested in the Lifecycle Investment Strategy and your pension will no longer automatically change investment mix based on your age. Once you switch your pension out of the Lifecycle Investment Strategy, you can't switch back in as this strategy is no longer offered for pension accounts.

As always, if you have any questions about these changes, or would like to make an appointment with Mine Super Financial Advice, please call us on 13 64 63 or email help@mine.com.au

Thanks for being with Mine Super.



Glenda Abraham
Chief Engagement Officer
Mine Super

We're going digital

As your super fund, we're required to send you specific information relating to your account – things like periodic statements, material product changes, transaction confirmations and additional information you request. Over the coming months, we're getting ready to send these types of communications digitally, rather than via paper. Going digital means a faster, easier and more environmentally friendly way to get information to you and, best of all, we'll save members' money by reducing how much we spend on paper and postage.

What this means for you

Once we're ready to send you digital communications, we'll let you know via our website and your online account. Important information such as Significant Event Notices and your Annual Statement will then start to be published to your online account inbox. For these types of communications, we'll contact you to let you know when the document is available in your inbox. Your Annual Statement is already available digitally, but this means we'll no longer send you a hardcopy as well (unless you ask us to).

In addition, we're also going to record transaction confirmations in your online account. Each year, we print and post thousands of letters confirming account transactions for things like investment switches. Instead of posting these confirmation letters, we'll send them directly to your online account inbox. For these types of confirmations, you won't receive a separate notification.

Get digital ready

Your online account is available 24/7, allowing you to check your inbox, balance / transaction history, update your details or switch investment options. It's important you check your email address is up to date (especially if it's been a while since you've received an email from us), so you'll receive these notifications. Go to mine.com.au/login to update your details or register for an online account.

For more information about this change and the progress we're making, head to our website mine.com.au/digital

Prefer paper? Just let us know by calling 13 64 63 and we'll continue to mail you paper copies.

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