

Product Disclosure Statement



Harwood Pension

22 March 2024



Offering members a simple way to enter into the retirement phase through an account based pension which can provide a regular income during retirement.

russellinvestments.com.au/harwoodpension

This Product Disclosure Statement (PDS) provides a summary of the significant information you need to make a decision. This is important information you should read before making a decision to invest in the Fund. This PDS is produced by the Trustee, Total Risk Management Pty Limited (TRM), ABN 62 008 644 353, AFSL 238790. Harwood Pension is a division of the Russell Investments Master Trust, ABN 89 384 753 567. This document provides general information only and has not been prepared having regard to your objectives, financial situation or needs. Before making an investment decision, you need to consider whether this information is appropriate to your objectives, financial situation and needs. If you'd like personal advice, we can refer you to the appropriate person. If you would like a free paper copy of this PDS, or any other relevant information, please contact us on 1800 555 667. Members must be over the preservation age to join Harwood Pension. See the *Joining* section for more information. The information in the PDS is correct at the time of publication. However, the information may change from time to time and if there is a material change to any of the information in any document, the Trustee will issue an updated document. However, if the change is not materially adverse to members, the Trustee may instead provide the updated information via the website russellinvestments.com.au/trusteerequireddisclosure. The Target Market Determination for the Fund is available on our website at russellinvestments.com.au/ddoreporting. The Financial Services Guide (FSG) for the Fund is available on our website at russellinvestments.com.au/fsg.

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Harwood Pension

Product Disclosure Statement

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Key Features

| INVESTMENT MINIMUMS | |
|-------------------------------------|---|
| Eligibility | In order to join Russell Investment Master Trust - Harwood Pension (Harwood Pension), you must be an employee or former employee of CSR, Wilmar, Holcim or associated employers or a member of iQ Super - Retained. |
| Minimum initial investment | \$50,000 |
| Minimum account balance at any time | \$6,000 |

| FEES | |
|-------------------------------|--|
| Administration fees and costs | 0.35% per year capped at \$1,860.00 per year applied on a monthly basis using a monthly cap of \$155.00. Trustee Administration Fee: 0.02% per year of your account balance. |
| Investments fees and costs | Ranges from 0.09% per year to 0.55% per year depending on the option(s) that you invest in. |
| Buy-sell spread | Nil for the Australian Cash option. Nil for the Diversified options for the first five switches in a financial year. Thereafter, the spread is 0.20% of the switched amount. |
| Switching fee | Nil |
| Exit fee | Nil |
| Other fees and costs | Family Law fees are payable for information requests. An advice fee for complex personal advice may be payable. |
| Cooling off period | 14 days. Please see the <i>Investing, switching and redeeming</i> section for further information. |

| INVESTMENT OPTIONS | |
|--|---|
| You can choose to invest in any 4 of the available investment options. Please read this PDS for an explanation of any taxes and/or fees that may apply to your investment. | |
| The available investment options in Harwood Pension are: | |
| Diversified options | <ul style="list-style-type: none"> • Diversified 50 • Balanced Growth • Growth |
| Sector options | <ul style="list-style-type: none"> • Australian Cash |

| REPORTING ON YOUR INVESTMENT | |
|------------------------------|--|
| Confirmations | We will generally send you a confirmation letter when you transact, with the exception of regular transactions like regular pension payments and fee rebates. |
| Annual reporting | We will send you an annual statement. The annual report will be available online. |
| Quarterly letter | We will send you a quarterly letter which details your account balance as at the end of the quarter. |
| PAYG Summary | We will send you an annual PAYG Summary showing pension payments made and any tax deducted over the year. If you are over 60 no PAYG summary will be provided because no tax is withheld from your payments. |
| Social security | Upon commencement of a new pension (including commuting an existing pension to a new pension), we will provide you with a statement for Centrelink social security purposes. You may not need to use the statement, depending on your circumstances. |

TRANSACTING

| | |
|--------------------------|---|
| Initial investment | To invest in Harwood Pension, you need to read this PDS, complete the accompanying Application Form and transfer monies from a superannuation fund to open a Pension Account. We will then establish your membership and confirm your details by mail. |
| Regular pension payments | You must nominate the amount and timing of pension payments to be made from your account, allowing for any minimum or maximum legislative limits that may apply to you. You can nominate pension payments be made to you monthly, quarterly, semi-annually or annually. You can change the amount and frequency of your regular pension payments at any time during the year by using the Change Pension Payments Form. |
| Ad-hoc pension payments | In addition to your regular pension payments, you can request that an ad-hoc amount be paid from your account, typically no more than twice every financial year, by using the Ad hoc Payment Form. |
| Switching | You can request to switch your investment holding to other investment options at any time by using the Change Investment Options Form. The nominated percentage is redeemed from its existing option and reinvested as directed by you. You should read the information in the Investing, switching and redeeming section to understand the timing of this process and the transaction costs that may apply. |
| Closing | You must provide us with a completed Closing Account Form and the relevant identification to withdraw your investment holding from Harwood Pension. If your balance falls below \$6,000 your account will be closed automatically. |

OTHER IMPORTANT INFORMATION

| | |
|-----------------------------|---|
| Age restriction | Members must be over preservation age to join Harwood Pension. See the <i>Joining</i> section for more information. |
| Simple investment structure | Harwood Pension is structured to make understanding the value of your investment holding simpler. Instead of needing to track distributions, capital gains, imputation credits and other investment complexities, we wrap the impact of those items into the unit prices for each investment option. All you need to do to value your investment holding is to understand the number of units you hold and the relevant unit prices. See the <i>A range of investment options</i> section for more information. |
| Risks | As with any investment there are a number of risks that may affect the value of your investment. You should carefully consider the risks that may affect the performance of your investment members. |

Harwood Pension

Russell Investments

At Russell Investments, our mission is improving the financial security of people. Russell Investments is a leading global asset manager that manages over \$445 billion¹ on behalf of investors worldwide. We are a global asset manager with a unique set of capabilities that we believe is essential to managing your superannuation savings and meeting your desired outcome.

When you become a Harwood Pension member, you will experience the confidence that comes from knowing your money is managed using industry leading strategies and some of the world's best investment managers and investment strategies. We treat your hard-earned retirement savings with care and respect. You benefit from the same deep insights, high standards and stringent research that we use for many of the world's largest and most sophisticated investors.

Many people are daunted by the financial complexity surrounding retirement. But this doesn't need to be the case. Every step of the way, we strive to keep retirement investing simple and provide meaningful guidance and advice relevant to your personal situation.

The Trustee and its relationship with service providers

A licensed Trustee company is responsible for your superannuation.

The Trustee

Total Risk Management Pty Limited (TRM), ABN 62 008 644 353, is the Trustee of Russell Investments Master Trust (Fund) and is responsible for its overall operation. The Trustee has directors who have extensive experience in all facets of superannuation management.

The Fund's assets are controlled by TRM, which is a subsidiary company of Russell Investments Employee Benefits Pty Ltd (RIEB). The assets of the Russell Investments Master Trust are held separately from the assets of any of the Russell Investments group of companies.

Who is the administrator?

TRM has appointed RIEB to provide administration services to the Fund. Separately, RIEB has arranged for Link Super Pty Limited (Link) to provide most of the administration services to members. RIEB pays Link out of its own revenue, which means members do not pay any additional fees to Link.

Who is the Investment Manager?

TRM has appointed Russell Investment Management Limited to provide investment management services for the Harwood Pension.

Information at your fingertips

Visit russellinvestments.com.au/trusteerequireddisclosure for all disclosure information relating to the Fund that must be disclosed under the SIS Regulations. This includes the following: Product Dashboards, the Trustee Deed, Annual Report, remuneration for Executive officers and any other documents required to be disclosed.

Account Based Pension

The Harwood Pension offers members a simple way to enter into the retirement phase. The Pension Account offers:

- Four investment choices giving you flexibility; and
- A low administration fee and no fees to establish or withdraw from the account.

You can convert some or all of your superannuation monies into an account based pension which can provide a regular income during retirement. The account based pension increases (or decreases) with investment earnings and decreases with pension payments, any lump sum withdrawals and any fees and other costs. The pension will continue to be paid while there is money left in your account. The amount of the pension payments are subject to annual minimum (and in some instances maximum) limits which are set by the Commonwealth Government.

1 As of 30 June 2023.

Joining Eligibility

In order to join Harwood Pension, you must be an employee or former employee of CSR, Wilmar, Holcim or associated employers or a member of iQ Super - Retained. You will need to be aged 65 or have reached your preservation age and permanently retired from the workforce.

Your preservation age depends on the year you were born:

| Your preservation age | |
|----------------------------|----|
| Before 1 July 1960 | 55 |
| 1 July 1960 – 30 June 1961 | 56 |
| 1 July 1961 – 30 June 1962 | 57 |
| 1 July 1962 – 30 June 1963 | 58 |
| 1 July 1963 – 30 June 1964 | 59 |
| From 1 July 1964 | 60 |

You are required to have \$50,000 to invest at application. We may waive this at our discretion.

\$1.9 million transfer balance cap on Pension Account balances

On 1 July 2023, the Australian Government indexed the cap on the total amount of superannuation that can be transferred into a tax-free retirement account, such as your Pension Account within Harwood Pension to \$1.9 million. This means you will have a personal transfer balance cap between \$1.6 million and \$1.9 million depending on when you commenced your first retirement phase income stream as well as the amount you have transferred.

If you transferred money to a tax-free pension prior to 1 July 2023, you will have a personal transfer balance cap calculated proportionally based on the highest balance of your transfer balance account. There will be no increase to your cap if you have met or exceeded the previous \$1.6 million or \$1.7 million limit prior to 1 July 2023.

The transfer Balance Cap is managed by the Australian Taxation Office (ATO). You can view your personal transfer cap by visiting the ATO section on mygov.au.

What happens to super above the cap?

Superannuation savings exceeding the cap can remain in an accumulation account where earnings will be taxed at 15%. If your Pension Account breaches the cap, you are required to remove the excess balance from the pension either as cash or by transferring back to an accumulation account. You will be liable to pay tax calculated by the ATO on investment earnings attributable to any excess balance.

How is the cap applied?

The \$1.9 million transfer cap is applied using a proportionate method which measures the percentage of the cap space you use at the time you transfer money to a tax-free pension. For example, if you transfer \$1.275 million to a tax-free pension on 1 July 2021 you will have used up 75% of your cap and in the future you can access a further 25% of the future indexed cap. Subsequent fluctuations in retirement accounts due to earnings growth or pension payments are not considered when calculating cap space.

The cap only applies to the amount transferred into pension phase. It does not include any positive earnings growth gained within the pension phase after the initial transfer.

It is important to note that the cap is the total amount of superannuation in the pension phase across all your Pension Accounts (not just within Harwood Pension). Products such as life time pensions, market linked pensions and annuities, and term/life expectancy pensions and annuities will be valued using their purchase price.

How many transfers can be made?

You can make as many transfers as you like if you have available cap space. The available space is determined by the proportionate method detailed above. The Transfer Balance Cap is a **lifetime limit**. For example, if you transfer \$1.9 million into your Pension Account you have utilised 100% of your cap space. Even if your balance decreases to below \$1.9 million, you will no longer be able to transfer any additional funds from an accumulation account into a Pension Account.

How does the cap impact you and your spouse?

The transfer balance cap is an individual cap.

For more information on the transfer balance cap and how it affects you please refer to the ATO website at www.ato.gov.au/individuals/super/withdrawing-and-using-your-super/transfer-balance-cap/

Temporary residents

If you are a temporary resident, you can only open an account if:

- you meet a condition of release prior to 01/07/2009 (e.g. retired after the age of 60 or reached age 65)
- you suffer from a Terminal Medical Condition
- you are permanently or temporarily incapacitated
- you hold a Retirement visa; or
- you hold an Investor Retirement visa.

The application process

The Application Form in the back of this PDS must be completed, signed and returned to us in order for your application to be processed. If you have any questions about the PDS or the application process, please call us on 1800 555 667 for assistance. We will contact you (or your adviser) if any of the information on the Application Form is incomplete or requires confirmation.

You can nominate the amount and timing of your pension payments, but remember that there are annual minimums. We are required by law to ensure you are paid at least the minimum amount during the year.

You should read the *Tax and social security* section for information about the different tax treatment of your pension account.

Providing proof of identity

The security of your super entitlements in Harwood Pension is a key priority for the Trustee. The Trustee has procedures in place to manage risks associated with fraud and other illegal activities. At times these procedures may cause inconvenience to you. Please remember that they are being applied to protect your entitlements.

In addition, under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, superannuation funds are required to have an anti-money laundering and counter-terrorism financing program in place. A key element of this program is customer identification and verification procedures. Typically, you will be required to provide proof of your identity before you become a member. As a result, some requested transactions cannot proceed until we receive and verify the necessary identification documents.

The Trustee does not accept liability for any loss you may incur as a result of circumstances such as a delay in payment of a benefit or commencement of an income stream where the delay arises from our need to comply with legislative requirements. We may be required to request additional customer identification or related information from you at other times. If we cannot obtain the requisite information from you, we may be unable to process your requested transaction.

The Trustee must also report specified matters to the regulator, AUSTRAC, and this may include the provision of personal information about a member. If this happens, the Trustee is not permitted to advise you that such a report has been made.

Your Pension Account

Opening an account

You can only start your Pension Account by transferring existing superannuation money to the Harwood Pension. The minimum total amount you need to invest is \$50,000. We may waive this at our discretion.

If your nominated superannuation fund(s) is held outside of iQ Super, we will contact them on your behalf and arrange the transfer into your iQ Super account, before commencing the Harwood Pension. Alternatively, you can contact them directly. If your nominated superannuation fund is held within iQ Super, simply complete the Application Form to commence a pension.

Once your Pension Account has commenced, you are not able to make further contributions into that account. Therefore, you may consider consolidating your super within your iQ Super account prior to commencing the pension.

If, at a later date, you wish to increase your investment in the pension, please call us to discuss your options.

Pension Payments

Pension payments are made to the bank account you nominate on the Application Form. You can change your nominated bank account at any time by completing a Change of Personal Details Form.

There are two ways to receive your pension:

1. Regular pension payments

You must specify that regular pension payments be paid to you from your Pension Account to your nominated bank account. You also must specify how often you would like your regular pension payments made. Your regular pension payments will be made on or around the following dates based on your selection:

| Regular pension payment selection | Payment date |
|-----------------------------------|---|
| Monthly | 15th of each month |
| Quarterly | 15th of September, December, March and June |
| Semi-annually | 15th of December and June |
| Annually | 15th of June or July. You may choose the month you prefer on the Application Form |

Note: If the 15th falls on a weekend or public holiday, the payment will generally be made on the prior working day.

Whenever you change your payment amount, your instruction may not take effect until the next payment period, depending on when we receive your instruction. You can make changes by completing a Change Pension Payments Form.

You should contact us in May each year if you would like to change your regular pension payments for the upcoming financial year. If you do not contact us, your pension payments will continue at the same amount and frequency as the previous year, allowing for any change to minimum or maximum limits that might apply to you.

2. Ad-hoc pension payments

You can typically request an ad-hoc pension payment up to twice each year. Ad-hoc pension payment requests must be specified as a dollar amount.

An ad-hoc payment must be paid to your nominated bank account and it will generally take around five working days from the date we receive your request.

You can make an ad-hoc payment request by completing the Ad hoc Payment Form or by calling us.

If an annual maximum pension payment limit applies to you, once you have reached your limit, by law we cannot provide you with any further payments until the next tax year. We may also need to reduce or stop paying your regular pension payments as a result of any ad-hoc payments.

Minimum pension payments

We are required to pay you at least the minimum legislated pension from your account each tax year. The annual minimum amount you must take from your account is based on your age and expressed as a percentage of the balance of your account at the later of the previous 1 July or the date you commence your pension.

The following table sets out the minimum limits:

| Age | Minimum |
|----------|---------|
| Under 65 | 4.00% |
| 65-74 | 5.00% |
| 75-79 | 6.00% |
| 80-84 | 7.00% |
| 85-89 | 9.00% |
| 90-94 | 11.00% |
| 95 + | 14.00% |

Note: Ages apply as at 1 July each year, or if you commence your pension during the year, the date of commencing your pension. The minimum pension payment is expressed as a percentage of the balance of your account(s) at the later of 1 July or the date of commencing your pension. In the year you commence your pension, the minimum annual pension payment for the first year will be reduced on a pro-rata basis on days remaining in the year. If you commence your pension in the month of June, a minimum payment is not required and your first pension payment will be made in the following year.

We monitor minimum annual pension payment limits. If required, we will top-up the pension payment made to you in June each year to ensure you meet the minimum amount for the year. This means you don't need to worry about checking if you have satisfied the minimum amount each year, however we would encourage you to monitor your pension payments at all times.

Investing, switching and redeeming

Minimum investment holding

We may require members to hold a minimum amount in each investment option, or their investment holding as a whole, to ensure we can manage their investments appropriately and pay them the pension payments they need.

If your account balance is less than \$6,000, we will pay the balance of your investment holding out of Harwood Pension and close your account. The balance will then be paid to you as a lump sum and your pension payments will cease.

Investing

You can invest in any or all four investment options at one time.

Occasionally, we may add, remove or alter the existing investment options. We'll notify you if there are any material changes. Review your investments regularly to see if they are still appropriate as circumstances change. If they are no longer suitable, you can change your investment options at any time. In making investment decisions, you should consider whether your overall investment is adequately diversified across the different asset classes. Depending on your personal circumstances, including investments that you hold outside of Harwood Pension, it may not be appropriate to invest in only one particular investment option.

Switching

If you would like to change your investment options you can do so at any time by completing the Change Investment Options Form. All instructions for switching within your Pension Account must be provided to Russell Investments by completing the form.

Unit prices will be declared daily but will be based on the investment performance of two business days earlier. A switch will take effect two business days after we receive your request. This ensures the investment returns on the day of your request will be captured in the unit prices, and that transactions are processed and units allocated to your account on the same day. Other details of the switching process are outlined below:

- If a switch is submitted before 4 pm, it will be processed in two business days. If it is submitted on or after 4 pm but before midnight, that switch will be processed on the third business day.
- The cut off time of 4 pm also applies to cancelling a switch. If you wish to cancel a switch, you must do so before 4 pm on the day it was requested.

When switching, you should also consider whether you need to update your payment strategy, which is the way we redeem your investment options to fund your pension payments.

If you wish to cancel your request to change your investment option(s) you can do so by calling the Fund. Alternatively, you can send us an email or a fax.

Redeeming

You can nominate which investment options you want to make your pension payment from.

You should nominate a payment strategy for your account to ensure we redeem from the appropriate investment options to meet payments or switches.

If any of your investment options do not have sufficient funds available to cover upcoming payments according to your payment strategy, we may redeem any payments proportionally across your remaining investment holdings.

Cooling off rights

You have a cooling off period to reconsider your investment. To withdraw, we must receive your written request within 14 days from the earlier of:

- The date you receive your application confirmation (i.e. Welcome Letter); or
- 5 business days after you become a member.

The option to withdraw during this period is not available if you have exercised your rights as a member, for example if you have already switched investment options.

The amount payable to you may be different to the amount you invested. Adjustments may be made to reflect any change in unit prices since your investment was made, tax and reasonable administration fees.

If you ask us to make a payment directly to you, lump sum tax may be payable. We can only make a payment to you to the extent that the money we have received is unrestricted non-preserved, otherwise payment must be made to another complying superannuation fund.

If you nominate another rollover fund and that fund does not accept the transfer, we may transfer your money to the Australian Taxation Office (ATO). The ATO is now able to accept payments previously paid to an Eligible Rollover Fund (ERF) as a Trustee Voluntary Payment (TVP).

Where your benefit has been transferred to the ATO as a TVP, we are no longer responsible for your benefit. In the future you can contact the ATO in relation to this payment at the details below:

Australian Taxation Office

Phone: 13 28 65

or you can check and consolidate ATO-held super using ATO online services through your MyGov account.

Reading the investment disclosure

The example below describes how to understand the following Diversified and Sector options.

| Balanced Growth | |
|---|-----------|
| <ul style="list-style-type: none"> To earn a return after costs, exceeding CPI* by 3.5% p.a., measured over rolling 5 and 10 year periods. | |
| <p>Suitability: Suitable for members, who are seeking to build wealth over the medium to long term and are willing to accept the possibility of negative returns over the shorter term.</p> | |
| <p>Minimum investment timeframe: Be prepared to stay invested in this option for at least 5 years before it meets its objectives.</p> | |
| <p>Investment strategy[^]: The option is typically exposed to a diversified option mix of around 70% growth investments and around 30% defensive investments[~]. The option may be exposed to derivatives.</p> | |
| <p>Investment fees and costs: 0.55% p.a. comprised of:</p> <p>Investment fee: 0.42% p.a.</p> <p>Estimated indirect investment costs: 0.13% p.a.</p> | |
| <p>Transaction Costs: 0.13% p.a.</p> | |
| <p>Risk level (see pg 18 for more information):</p> <p><i>Risk level for the time invested</i></p> | |
| Short term | Long term |
| High | Low |
| <p>Estimated number of negative annual returns over any 20 year period: Approx 4 to 5</p> | |
| Asset allocation ranges [#] : | Range % |
| Australian Equities | 15 - 60 |
| International Equities | 15 - 60 |
| Property | 0 - 25 |
| Fixed Income | 0 - 45 |
| Cash | 0 - 25 |
| Infrastructure | 0 - 25 |
| Commodities | 0 - 10 |
| Other Alternatives | 0 - 25 |

| |
|--|
| <p>Option Name: Name of the investment option.</p> |
| <p>Investment Return Objective: The option's overall investment objective, including timeframes.</p> |
| <p>Suitability: A profile of the member that the particular option best suits.</p> |
| <p>Minimum investment timeframe: The minimum timeframe we have suggested is based on the investment objective and level of risk of the option. The minimum investment timeframes should not be considered personal advice. Before making an investment decision, you need to consider your objectives, financial situation and needs.</p> |
| <p>Investment Strategy: Outlines the overall strategy of the option, as well as how money is invested within the option.</p> |
| <p>Investment fees and costs: The Investment fee represents the fees and costs for the care and expertise related to the investment of the assets of the option. The estimated investment costs of an option includes all known and estimated indirect costs, expense recoveries and performance fees incurred by the Fund or the underlying funds/managers. The amount shown has been calculated to 30 June 2023.</p> |
| <p>Transaction Costs: The Transaction costs shown are the net costs incurred when buying and selling assets within each of the investment options. The amount shown has been calculated to 30 June 2023.</p> |
| <p>Standard Risk Measure: We have adopted the Standard Risk Measure (SRM), which is based on industry guidance, to allow members to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period.</p> <p>The SRM 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 a member may require to meet their objectives.</p> <p>Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return. Members should still ensure they are comfortable with the risks and potential losses associated with their chosen investment option(s).</p> |
| <p>Asset allocation ranges: Asset allocations vary at different points in time. The asset allocation ranges reflect the minimum and maximum amount that can be held at any point in time in each asset class within the investment option.</p> <p>For more information about asset allocation ranges visit russellinvestments.com.au/saa</p> |

A range of investment options

Diversified options

Diversified 50

- **Investment return objective:** To earn a return after costs, exceeding CPI* by 3.0% per annum, measured over rolling 5 year periods.

Suitability: Suitable for investors who are seeking some capital growth over the medium term and are willing to accept the possibility of negative returns over the shorter term.

Minimum investment timeframe: Be prepared to stay invested in this option for at least 4 years before it meets its objectives.

Investment strategy[^]: The option is typically exposed to a diversified option mix of around 50% growth investments and around 50% defensive investments[~]. The option may be exposed to derivatives.

Investment fees and costs: 0.31% p.a. comprised of:

Investment fee: 0.20% p.a.

Estimated indirect investment costs: 0.11% p.a.

Transaction Costs: 0.11% p.a.

Risk level (see pg 18 for more information):

Risk level for the time invested

| Short term | Long term |
|----------------|-----------|
| Medium to High | Medium |

Estimated number of negative annual returns over any 20 year period: Approx 3 to 4

| Asset allocation ranges [#] : | Range % |
|--|---------|
| Australian Equities | 10 - 50 |
| International Equities | 10 - 50 |
| Property | 0 - 20 |
| Fixed Income | 10 - 50 |
| Cash | 0 - 30 |
| Infrastructure | 0 - 20 |
| Commodities | 0 - 10 |
| Other Alternatives | 0 - 20 |

* CPI stands for Consumer Price Index, which is used as a measure of inflation.

[^] This option may invest in underlying funds that take ESG considerations into account as part of their investment strategy. For detailed information on ESG considerations and the investment exclusions employed, please refer to the *ESG considerations* section of this document.

[~] Please refer to the asset allocation ranges for details of the parameters surrounding the investment strategy.

[#] The actual asset allocation may temporarily fall outside the ranges stated above in certain circumstances, such as asset transitions or extreme market movements.

Balanced Growth

- To earn a return after costs, exceeding CPI* by 3.5% p.a., measured over rolling 5 and 10 year periods.

Suitability: Suitable for members, who are seeking to build wealth over the medium to long term and are willing to accept the possibility of negative returns over the shorter term.

Minimum investment timeframe: Be prepared to stay invested in this option for at least 5 years before it meets its objectives.

Investment strategy[^]: The option is typically exposed to a diversified option mix of around 70% growth investments and around 30% defensive investments[~]. The option may be exposed to derivatives.

Investment fees and costs: 0.55% p.a. comprised of:

Investment fee: 0.42% p.a.

Estimated indirect investment costs: 0.13% p.a.

Transaction Costs: 0.13% p.a.

Risk level (see pg 18 for more information):

Risk level for the time invested

| Short term | Long term |
|------------|-----------|
| High | Low |

Estimated number of negative annual returns over any 20 year period: Approx 4 to 5

| Asset allocation ranges [#] : | Range % |
|--|---------|
| Australian Equities | 15 - 60 |
| International Equities | 15 - 60 |
| Property | 0 - 25 |
| Fixed Income | 0 - 45 |
| Cash | 0 - 25 |
| Infrastructure | 0 - 25 |
| Commodities | 0 - 10 |
| Other Alternatives | 0 - 25 |

Diversified options (continued)

Growth

- To earn a return after costs, exceeding CPI* by 4.0% p.a., measured over rolling 5 year periods.

Suitability: Suitable for members who are seeking to build wealth over the long term and are willing to accept the possibility of negative returns over the shorter term.

Minimum investment timeframe: Be prepared to stay invested in this option for at least 6 years before it meets its objectives.

Investment strategy[^]: The option is typically exposed to a diversified option mix of around 90% growth investments and around 10% defensive investments[~]. The option may be exposed to derivatives.

Investment fees and costs: 0.45% p.a. comprised of:

Investment fee: 0.34% p.a.

Estimated indirect investment costs: 0.11% p.a.

Transaction Costs: 0.19% p.a.

Risk level (see pg 18 for more information):

Risk level for the time invested

| Short term | Long term |
|------------|-----------|
| High | Low |

Estimated number of negative annual returns over any 20 year period: Approx 5

| Asset allocation ranges [#] : | Range % |
|--|---------|
| Australian Equities | 20 - 75 |
| International Equities | 20 - 75 |
| Property | 0 - 25 |
| Fixed Income | 0 - 30 |
| Cash | 0 - 20 |
| Infrastructure | 0 - 25 |
| Commodities | 0 - 10 |
| Other Alternatives | 0 - 25 |

* CPI stands for Consumer Price Index, which is used as a measure of inflation.

[^] This option may invest in underlying funds that take ESG considerations into account as part of their investment strategy. For detailed information on ESG considerations and the investment exclusions employed, please refer to the *ESG considerations* section of this document.

[~] Please refer to the asset allocation ranges for details of the parameters surrounding the investment strategy.

[#] The actual asset allocation may temporarily fall outside the ranges stated above in certain circumstances, such as asset transitions or extreme market movements.

Sector options

Australian Cash

- Earn a return in line with the Reserve Bank cash rate target, before tax and after costs, over rolling 1 year periods.
- Earn a return broadly in line with inflation over the long-term, before tax and after costs.

Suitability: Suitable for investors seeking cash-like returns who have a short investment horizon.

Minimum investment timeframe: Be prepared to stay invested in this option for at least 0 to 1 year before it meets its objectives.

Benchmark: Bloomberg AusBond Bank Bill Index

Investment strategy: The option is predominantly exposed to assets such as bank deposits, money market instruments (including but not limited to bank bills and certificates of deposit).

Investment fees and costs: 0.09% p.a. comprised of:

Investment fee: 0.05% p.a.

Estimated indirect investment costs: 0.04% p.a.

Transaction Costs: 0.00% p.a.

Risk level (see pg 18 for more information):

Risk level for the time invested

| Short term | Long term |
|------------|-----------|
| Very Low | Very High |

Estimated number of negative annual returns over any 20 year period: Approx less than 0.5

Unit pricing

Your account balance grows as positive investment earnings are added. Fees and taxes, as well as investment losses, reduce your account balance. Your initial investment will be converted into units. The number of units you receive depends on the prevailing unit price. We declare unit prices for each investment option by taking into account the assets invested, the investment return, the tax payable (including such allowance as the Trustee considers appropriate for any deferred tax asset that has accrued), imputation credits, the relevant fees and provisions for any other distributions or capital gains. Generally, one unit price is declared each business day for each investment option, and the same unit price is used for buying and selling. If you make more than five switches in a financial year, a buy-sell spread of 0.20% will apply.

How unit prices work

The unit price fluctuates in line with the market value of the assets of each investment option. If market values are going up, the unit price rises, and if market values are declining, the unit price falls. If the unit price increases relative to the original unit price at which you received your units, you have made an investment gain and your account balance rises accordingly. If the unit price decreases, you have made an investment loss and your account balance will fall.

The impact of changes in the unit price

If \$50,000 went into your account on 1 January and the unit price was \$2.00 you would have purchased 25,000 units. If the unit price dropped in February to \$1.90, the \$50,000 balance has lost 5% of its initial value and is now worth \$47,500. However, if the unit price goes up to \$2.20 in March, you still have 25,000 units but each is worth more, so overall your investment will have gained 10% on its original value. The example in the table below is based on a single balance prior to any pension payment deductions.

| Date | Transaction | Unit price | Units bought or sold | Value | Gain/Loss (relative to purchase price) |
|----------|-------------|------------|----------------------|-------------|--|
| January | \$50,000.00 | \$2.00 | 25,000.00 | \$50,000.00 | – |
| February | – | \$1.90 | – | \$47,500.00 | -5% |
| March | – | \$2.20 | – | \$55,000.00 | 10% |

In practice, there will be regular pension payments from your account. Each of these payments will be converted into units at the prevailing unit price. A fall in the unit price will mean that your existing units are worth less, however it also means that the same dollar amount of contribution will buy more units than when the price was higher. This results in a greater potential for investment gain if the unit price picks up again.

The table below illustrates the effect a fluctuating unit price has on the number of units you receive, assuming a regular pension payment of \$200 a month.

| Date | Transaction | Unit price | Units bought or sold | Total units held | Account balance |
|-------------|-------------|------------|----------------------|------------------|-----------------|
| 1 January | \$50,000.00 | \$2.00 | 25,000.00 | 25,000.00 | \$50,000.00 |
| 15 January | - \$200.00 | \$2.00 | - 100.00 | 24,900.00 | \$49,800.00 |
| 15 February | - \$200.00 | \$1.90 | - 105.26 | 24,794.74 | \$47,110.01 |
| 15 March | - \$200.00 | \$2.20 | - 90.91 | 24,703.83 | \$54,348.43 |
| Total | \$49,400.00 | | 24,703.83 | | |

Suspension of transacting

During periods of extreme movements in the market or where a unit price cannot be struck, may suspend transaction processing, consistent with the unit pricing policy that applies to the Fund. Russell Investments has an experienced unit pricing committee that reports to the Trustee and oversees all unit pricing issues, including the implementation of the unit pricing policy. A suspension in the processing of transactions is designed to prevent some members from inappropriately benefiting from 'market timing' to the disadvantage of other members. The monitors movements in the market on a daily basis. If there is a movement of more than a specified percentage, processing of transactions may be suspended. The main transaction types that are suspended in these periods are investment switches, cash benefit payments and rollovers to other funds.

Any suspension generally lasts no more than one day, after which unit prices are calculated based on movement in the relevant benchmark index, until such time as the market stabilises. The unit pricing committee may decide to continue the processing of transactions, notwithstanding market volatility, if it considers this is the best approach to take.

Labour standards, environmental, social and ethical considerations

Definitions

- “Carbon Emissions” means:
 - Scope 1 (direct emissions): activities owned or controlled by an organisation that releases carbon emissions straight into the atmosphere; and
 - Scope 2 (energy consumption): carbon emissions being released into the atmosphere associated with consumption of purchased electricity, heat, steam and cooling. These are a consequence of a company’s activity, but which occur at sources the company does not own or control.
- “Carbon Footprint” means Carbon Emissions in metric tons of carbon dioxide equivalent (CO₂-e), divided by company revenue (USD).
- “Corporate Debt” means investment grade corporate debt and high yield corporate debt.
- “Directly” means companies that are involved in the stated activities. There is no minimum percentage revenue or ownership threshold.
- “Indirectly” means companies that own more than 20% of an underlying company that has involvement in the stated activities.
- “Material ESG Score” refers to a proprietary scoring which identifies and evaluates the ESG issues that are financially important to a company. Please refer to the *Responsible Global Shares Option* section below for further information on the Material ESG Score approach.
- “Non-Corporate Debt” means debt securities issued by supranationals, international governments, quasi-governments and agencies.
- “Prohibited Coal Companies” means companies that derive more than 10 per cent of their revenue from coal power generation or mining thermal coal (i.e. thermal coal extraction), except for companies which derive at least 10% of their power generation from renewable energy source.
- “Relevant Benchmark” - the relevant benchmark for each of the sector investment options is stated in the *How the investment options invest* section of this document.
- “Revenue” means the revenue percentage determined by an ESG data vendor, Sustainalytics, either from the company’s reported revenues, or from an estimate of the company’s revenue made by Sustainalytics.

ESG considerations

All investment options

We recognise the importance of responsible investing and environmental, social and governance (ESG) issues for our clients.

Russell Investments considers the value and measure of carbon and other ESG characteristics, as described in this section. Capitalised terms used are defined in the *Definitions* section above.

Russell Investments takes labour standards and environmental, social and ethical considerations into account when deciding which investment managers will be used for the investments. Russell Investments will only use an investment manager if they adhere to an acceptable ethical investments methodology.

Russell Investments’ policy is to, where relevant, integrate responsible investing into third party investment manager evaluation and portfolio management processes.

Russell Investments employs a ranking system in its manager research process. It incorporates factors it believes impact third party investment managers’ ability to generate returns for members. Russell Investments has an environmental, social and governance (ESG) rank, which considers labour standards and environmental considerations. Each manager Russell Investments research has an explicit ESG rank on a scale of 1-5, with 5 being the highest ESG rating a manager can attain. There are 4 sub-scores based on a manager’s commitment to ESG their implementation of ESG insights, and their active ownership. A ranking of 3 represents a ranking consistent with the peer group average. This rank is incorporated into the:

1. third party investment manager evaluation process, to determine whether the investment manager appropriately assesses the risk and return impacts of ESG related considerations on individual portfolio holdings and the overall portfolio construction process; and
2. overall view of the investment manager.

For additional information on responsible investing, including Russell Investments’ ESG rank, active ownership and engagement policy, refer to <https://russellinvestments.com/au/about-us/responsible-investing>.

Exclusions

Russell Investments recognises the importance of responsible investing and ESG issues for clients and employs certain investment exclusions for certain underlying funds. The relevant exclusion(s) that are employed for certain underlying funds are specified (together with the other ESG considerations) in the remainder of this "ESG considerations" section.

Certain investment exclusions that can be employed by an underlying fund are:

- *Tobacco Manufacturers*
Companies which Directly manufacture tobacco products (including e-cigarettes and vaping products).
- *Controversial Weapons Producers: anti-personnel mines and cluster munitions*
Companies that are involved, either Directly or Indirectly, in the production of the core weapon system, or components/services of the core weapon system that are considered tailor made and essential for the lethal use of anti-personnel mines or cluster munitions.
- *Nuclear Weapons Producers: nuclear weapon*
Companies that are involved, either Directly or Indirectly, in the production of the core weapon system, or components/services of the core weapon system that are considered tailor made and essential for the lethal use of nuclear weapons.
- *Prohibited Coal Companies*
Companies which derive more than 10 per cent of their Revenue from coal power generation or mining thermal coal (i.e. thermal coal extraction).
- *Non-compliance with United Nations Global Compact (UNGC) Principles*
Companies identified as breaching any of the United Nations Global Compact Principles ("UNGC Principles"), having regard to the following considerations. Russell Investments utilises the services of Sustainalytics to identify corporations which are aligned to the UNGC Principles and are therefore deemed by Russell Investments as having good governance practices. Companies deemed not to be aligned with the UNGC Principles are placed by Russell Investments on an exclusions list for the relevant underlying fund (subject to the following exceptions). The exclusions list is updated by Russell Investments generally quarterly. If a company is identified by Sustainalytics as being non-compliant with the UNGC Principles, the company may still be investible if Russell Investments determines that it does in fact follow good governance practices, despite the UNGC Principles assessment by Sustainalytics. In order to reach this conclusion, Russell Investments must carry out its own further analysis of the company's governance practices. This additional layer of analysis is undertaken based on advice from a third party investment manager and/or from Russell Investments' own research or insights (supplementing the research provided by Sustainalytics). The review will include an assessment of the company's labour practices, management structure and tax compliance. Following the further analysis, Russell Investments may determine, by recommendation from its investment and responsible investing teams and by determination of the Russell Investments' Global Exclusion Committee, that the company does in fact demonstrate good governance practices. Only after such a determination is made, can the company form part of the relevant underlying fund. This further analysis of a company by Russell Investments is overseen and managed by Russell Investments' Global Exclusions Committee.

If a company is identified as having breached a UNGC Principle by Sustainalytics, and it is found to already be held by an underlying fund during a quarterly update to the underlying fund's exclusions list, Russell Investments may undertake the further analysis outlined above to determine whether, in its view, the company follows good governance practices. If no such determination is made before the next quarterly update to the underlying fund's exclusions list, the relevant company will be added to the exclusions list.

Limitations on investment exclusions

Russell Investments relies on data sourced from independent vendors in order to determine company securities that meet its exclusion criteria for relevant underlying funds. The independent vendors used do not assess all companies in the investible universe of an underlying fund at all times (whether due to a lack of available company data, corporate actions or otherwise). As a result, Russell Investments may acquire or hold a company security in an underlying fund that has not been assessed by the independent vendors and would otherwise be required to be excluded by the underlying fund's exclusions criteria.

Investment exclusions may not apply to a portion of the assets held. This is because the exclusions described above apply to companies only. As such, holdings in cash or derivatives do not form part of the holdings that are subject to the exclusions.

Where exclusions are employed, Russell Investments may identify securities held from time-to-time that are required to be excluded by the underlying fund's exclusions criteria. Unless otherwise specified, when Russell Investments becomes aware that such securities are held, it will divest those securities within 60 days.

Divestment of securities held by a third party investment manager that do not meet investment criteria will be undertaken by the manager, in accordance with its rules and requirements.

Diversified options

The ESG considerations (including certain investment exclusions) are relevant to the Diversified options, to the extent that they invest in the underlying funds for the options with specific ESG considerations.

There may be additional ESG exclusions or other strategies applied in the underlying funds (or the assets they hold). For instance, some of the underlying funds have strategies to:

- adjust holdings to reduce aggregate carbon footprint relative to the underlying fund's benchmark;
- promote a reduction in carbon emissions; or
- exclude companies in non-compliance with UNGC Principles.

The exclusions or other strategies described above apply to the Diversified Options to the extent that they invest in the relevant underlying funds.

Specific ESG considerations

Global Fixed Income - \$A Hedged

The Global Fixed Income - \$A Hedged underlying fund targets a reduction in "Carbon Footprint" of at least 20% compared to its Benchmark, for the "Corporate Debt" of the securities it holds. The underlying fund seeks to achieve this primarily by excluding "Prohibited Coal Companies". If, however, following the employment of the exclusion, the underlying fund has not met its Carbon Footprint reduction target, Russell Investments will evaluate the Carbon Footprint of all remaining Corporate Debt securities held by the underlying fund and will take measures to ensure that its holdings are adjusted to sufficiently reduce its Carbon Footprint in order to meet its Carbon Footprint reduction target.

The underlying fund does not currently have Carbon Emissions reduction targets in respect of its non-Corporate Debt securities holdings, due to the low Carbon Emissions data coverage rates available for those securities. Should that change, the carbon reduction targets may be revised to incorporate Carbon Emissions for those securities.

In addition to Prohibited Coal Companies, Tobacco Manufacturers, Controversial Weapons Producers, Nuclear Weapons Producers, and those in non-compliance with UNGC Principles are also excluded from the Corporate Debt portion of the securities held by the underlying fund.

Australian Fixed Income

"Prohibited Coal Companies" and UNGC Principles are excluded from the "Corporate Debt" portion of the securities held by the underlying fund.

United Nations Global Compact Principles

The Global Fixed Income - \$A Hedged underlying fund invests in corporations which follow good governance practices by international standards.

Russell Investments utilises the services of a highly reputable third-party data provider to identify corporations which are aligned to the United Nations Global Compact Principles (UNGC Principles) and are therefore deemed by Russell Investments as having good governance practices. This identification process includes a holistic assessment of core metrics for measuring good governance, including company responsibility, company management and the severity of impacts on stakeholders and/or the environment. Russell Investments' default position, as regards the selection of investments, is that it will not invest in corporations that are identified as breaching any of the UNGC Principles.

- In cases where a corporation is deemed to have breached a UNGC Principle, Russell Investments may elect to initiate an engagement and review process in respect of the relevant corporation's governance practices. Under this process, Russell Investments will engage with the relevant corporation to understand why a breach of the UNGC Principles has been identified and to promote improvements in the governance practices within the corporation, if deemed necessary. Following this engagement process, Russell Investments may make a determination that the relevant corporation exhibits good governance practices, despite the initial assessment of the corporation, and can therefore form part of the portfolio of the underlying funds.

If a corporation held by the underlying funds is identified as having breached a UNGC Principle following the initial assessment described above, the underlying funds may continue to hold securities of the corporation, provided that the engagement and review process has been initiated and only until such time as it has been completed. If the relevant corporation refuses to actively engage with Russell Investments or if at the end of the review period the corporation has not demonstrated sufficient good governance practices, Russell Investments (or its third party managers) will divest of its holdings in the corporation.

Russell Investments has in place a robust governance process around decisions that are made following each engagement and review process outlined above, with each determination being overseen and managed by its Global Exclusions Committee.

Sectors

Russell Investments has processes designed to ensure that the underlying funds do not knowingly invest in Tobacco Manufacturers, Controversial Weapons Producers and Nuclear Weapons Producers for the following Sectors:

- Global Shares; and
- Global Shares – \$A Hedged.

The risks of investing

Long term investments, such as superannuation, carry some risk that superannuation and taxation laws may change during the life of your investment and this might affect your final benefit, as well as how and when it is paid. Also, as with any investment, there are investment risks to consider.

Investment risk/return trade off

All investing involves risk. It's the trade-off for the return that investors seek. Assets with higher expected long-term returns generally carry a higher level of short-term risk. For example, shares and commodities have relatively higher risk and higher expected return than fixed interest and cash.

As with most investing, it is not guaranteed that you will make money. The value of your investment can go up or down with the value of investments of the options you are invested in.

Short-term fluctuations in the value of investments are common, particularly with respect to shares and commodities. Different types of investments perform differently at different times and carry varying forms of risks, which is why we recommend a diversified investment mix.

The relative risk of each option depends on its asset allocation. The risk/return graph below indicates the relative position of each major asset class.

Position on risk/return spectrum



Source: Russell Investment Management Ltd.

Risks may result in a loss. You could receive back less than you invested and there is no guarantee that you will receive any positive investment returns. Also remember that past returns are not a reliable indicator of future returns.

Managing risks

When assessing which options to invest in, we recommend you pay particular attention to the investment return objective, suitability, minimum investment timeframe, investment strategy and risk level sections provided for each option.

Options' risk levels

Each option has a risk level attributed to it based on the amount of time the investor remains invested in the option.

- **Short-term risk** is the risk that an investor's superannuation or pension savings will be reduced by the annual volatility of investment markets. This is consistent with how often the option can expect a negative annual return in a 20-year period.
- **Long-term risk** is the risk that an investor's superannuation or pension savings will not significantly outperform inflation over the investor's superannuation accumulation or pension lifetime.

The risk level and the Standard Risk Measure are not a complete assessment of all forms of investment risk, for instance they do not detail what the size of a negative return could be or the potential for a positive return to be less than a member may require to meet their objectives.

Other risks to consider

Members should be aware that the following risks exist for some or all the options:

- **Interest rate risk:** The options may be exposed to underlying funds that are sensitive to movements in domestic and international interest rates. Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, the market value of fixed income securities tends to decrease.
- **Liquidity risk:** The options may be exposed to assets that have restricted or limited liquidity. This may result in delays in processing withdrawal requests due to general market interruptions or inadequate market depth.
- **Counterparty and settlement risk:** The options may be exposed to counterparty and settlement risk. These risks are influenced by, amongst other things, market practices (for example settlement and custody practices) and the creditworthiness of the parties the options are exposed to, and the level of government regulation in countries in which the options invest.
- **Derivatives risk:** Some options may be exposed to underlying funds that use derivatives. There are significant risks associated with derivatives as they can be highly volatile and can serve to exaggerate both losses and gains.
- **Credit risk:** The options may be exposed to credit risk. Credit risk refers to the issuer of a debt instrument, banks holding cash deposits or the counterparty to a derivatives contract failing to meet an obligation to pay periodic interest, to repay the principal sum at maturity or to otherwise honour its obligations.
- **Currency risk:** The options may be exposed to underlying funds that hold foreign assets. Changes in exchange rates of currencies may affect the investment returns of these underlying funds. For the options that are identified as \$A Hedged, although the aim is to be 100% currency hedged, some foreign currency exposures can remain, which may affect the investment values of these options.
- **Emerging markets risk:** The options may invest in underlying funds that are exposed to emerging market securities that may be subject to higher levels of market volatility leading to higher general investment risk. Interest rate and currency risks may be greater due to higher levels of volatility in the economies of emerging markets. Furthermore, emerging market securities are often less liquid than the securities of developed markets. Counterparty and settlement risks are also increased.
- **Performance fee risk:** The performance fees charged by some underlying funds/managers are based on realised and unrealised gains. Therefore, a performance fee may be paid on unrealised gains that may never subsequently be realised. In addition, performance fees provide an incentive to make investments that carry more risk than those made in the absence of a performance fee.

- **Short selling risk:** The options may be exposed to underlying funds that engage in short selling. This is where an asset is sold that the member does not actually own, with the aim of gains being made if the asset's price falls, and can be bought back later at a lower price. Short selling involves a higher level of risk than normal investment in shares. This is because when a fund invests in shares the maximum loss is generally limited to the amount invested. With short positions, there is theoretically no limit on the loss because the loss will continue to increase as the price of the share increases.
- **Leverage or borrowing risk:** Some options may be exposed to underlying funds that use leverage or borrowing strategies that can magnify both gains and losses on investment returns. Money borrowed will be subject to interest and other costs, which may or may not exceed the income received from the instruments purchased with borrowed funds. Leverage creates an opportunity for greater returns, but at the same time, may significantly increase the risk of your investment in the option.
- **Securities lending risk:** The options may invest in underlying funds that engage in securities lending. There is a risk that the borrower may become insolvent or otherwise become unable to meet, or refuse to honour, its obligations to return the loaned assets. In this event, the underlying funds could experience delays in recovering assets and may incur a capital loss.
- **Alternative strategies risk:** The options may be exposed to underlying funds that use alternative investments. There are potentially increased risks inherent in alternative investments. These may include a higher exposure to counterparty and settlement risk, liquidity risk and short selling risk, and more leverage than traditional investment strategies.
- **Operational risk:** the Fund is exposed to operating risk. This is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. Adverse impacts may arise internally through human error, technology or infrastructure changes, or through external events, such as third-party failures or crisis events. Russell Investments has processes in place designed to manage these risks. Even then, errors may occur on occasion and if they do we will rectify them. If you identify an error, let us know and we will rectify it.
- **ESG risk:** There is the risk of loss resulting from ESG considerations, including from limiting the Fund's universe of potential investments.
- **Change in law:** There may be a change in law affecting the Fund (such as taxation) at any time which may affect your investment. To manage your risks, you should obtain professional investment advice that is tailored to your investment objectives, financial situation and particular needs. When assessing risk, we recommend you pay particular attention to the investment return objective, suitability, investment timeframe, investment strategy and risk level sections given for each option.
- **Pension risk:** An account based pension is not guaranteed to last for the rest of your life. It is important to remember that payments will be made only while there is enough money in your account. A number of factors will influence the value of your account and how long it will last, including:
 - how much of your retirement savings you use to start your account based pension;
 - your chosen level of pension payments (please note that you must withdraw a minimum amount each year, please see the table in *The account, Minimum pension payments* section);
 - the investment returns on your account; and
 - your age.
 You will receive regular pension payments until your balance falls to \$6,000 or less. The balance will then be paid to you as a lump sum and your pension payments will cease.
- **Political risk:** investments may be affected by uncertainties such as political developments, changes in law or government policies, and currency repatriation restrictions on foreign investment in some countries to which an option may be exposed.
- **Underlying funds' absence of regulatory oversight:** some options may be exposed to managed investment schemes established in other jurisdictions that do not have an equivalent level of member protection to that which is provided in Australia. Investment in such schemes may also adversely impact the transparency of an option.

Tax and social security

Temporary residents

If you are a temporary resident of Australia (excluding New Zealand citizens) additional restrictions on withdrawing your superannuation apply to you as well as different tax rates on withdrawal of your benefits. If you hold a temporary visa, we recommend that you seek financial advice on termination of employment and/or departure from Australia. If you do not claim your benefit within six months of your visa ceasing and departing Australia, the Trustee may be required to pay it to the Australian Taxation Office (ATO). If this happens, you will need to contact the ATO to access your benefit. Temporary residents can only open an account in certain circumstances. Please refer to the *Joining* section for more details.

Investment earnings on your Account

For retired members, all investment earnings on the Pension Account are tax free.

Pension payments and withdrawals

From age 60, there is no tax payable on regular or ad-hoc pension payments.

Prior to age 60, 'Pay As You Go' (PAYG) tax is payable on any pension payments from your account. This is the same way tax is deducted from salaries for employees. However, there are tax advantages that apply to your pension:

- If you have a tax free component we will calculate the tax free proportion of your account when your pension is commenced. This proportion of your pension payments is tax free.
- A 15% rebate applies to the taxable proportion of most pension payments made. You will receive this rebate if you indicate on the TFN Declaration that PAYG tax deducted from your pension payments should be adjusted for any rebate to which you might be entitled.

Entitlement to Government Age Pension

Entitlement to the Government Age Pension is based on assets and income tests. If your assets or income are over certain levels, you may only be entitled to a part Government Age Pension or none at all. The Government Age Pension is based on the lower pension entitlement calculated after the two tests have been applied.

Assets Test: Superannuation accounts including the Pension Accounts are treated as assets for the purposes of the government's means-tested Age Pension Assets Test.

Income Test: Different rules apply depending on when you commenced your pension. Please contact Centrelink or speak to your adviser for more information.

From 1 January 2015, the deeming rules that apply to financial investments will be extended to new account based pensions. Generally, the total payments to you, minus a 'special' deductible amount, are counted towards your income for Social Security purposes. The 'special' deductible amount is calculated when you open an account and is equal to the 'purchase price' (your initial balance) divided by your life expectancy factor. If you have nominated your pension to continue to be paid to your spouse in the event of your death, then the highest of your and your spouse's life expectancy factor will apply.

For further information refer to humanservices.gov.au

Fees and costs

Fees and other costs

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You or your employer, as applicable, may be able to negotiate to pay lower fees. Ask the Fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) **Moneysmart** website (moneysmart.gov.au) has a superannuation calculator to help you check out different fee options. The calculator can be used to calculate the effect of fees and costs on account balances.

This section shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of a superannuation entity as a whole. Other fees, such as activity fees, advice fees for personal advice and insurance fees, may also be charged, but these will depend on the nature of the activity, advice or insurance chosen by you. Entry and exit fees cannot be charged. Applicable taxes are set out in another part of this document. You should read all the information about fees and costs, because it is important to understand their impact on your investment. The fees and other costs for particular investment options are set out on pages 12 and 13.

Fees and costs summary

Balanced Growth Investment Option

| Type of fee or cost | Amount | How and when paid |
|--|--|--|
| Ongoing annual fees and costs¹ | | |
| Administration fees and costs | An asset based administration fee of 0.35% per year (this amount is capped at \$1,860.00 per year and applied on a monthly basis using a monthly cap of \$155.00) Plus a Trustee Administration Fee of 0.02% per year of your total account balance In the 2022/2023 financial year, the Trustee incurred excess administration costs of approximately 0.01% of Fund assets that were paid from the Fund reserve | The asset based administration fees and costs are deducted from your account on the last Friday of each month. From 1 October each year, the monthly cap will be adjusted at a rate limited to the increase in the AWOTE ² Index over the previous year. The Trustee Administration Fee is deducted from the investment returns. It is not deducted from your account. The Fund reserve is maintained by the Trustee to operate the Fund. This includes paying for some expenses, such as costs associated with product and strategic services provided to the Trustee. These expenses are deducted from the Fund reserve, as required, and are not deducted from your account. |
| Investment fees and costs ³ | 0.55% per year ⁴ | The investment fees and costs are deducted from the investment returns before the net earnings are declared and applied to your account. They are not deducted from your account. At the end of each month you also receive a rebate that is processed through your account as an Investment Fee Adjustment. |
| Transaction costs | 0.13% per year | Transaction costs are deducted from the investment returns. They are not deducted from your account. |
| Member activity related fees and costs | | |
| Buy-sell spread | Nil for the Australian Cash option. Nil for the Diversified options for the first five switches in a financial year. Thereafter, the spread is 0.20% of the switched amount. | You can read more about these fees in the 'Additional explanation of fees and costs' section of this PDS. |
| Switching fee | Nil | Not applicable |
| Other fees and costs ⁵ | Family Law fees are payable for information requests. | For Family Law fees, refer to the 'Additional explanation of fees and costs' section of this PDS. |

1. If your account balance for a product offered by the superannuation entity is less than \$6,000 at the end of the entity's income year, certain fees and costs charged to you in relation to administration and investment are capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded.
2. AWOTE means Average Weekly Ordinary Times Earnings.
3. Investment fees and costs includes an amount of 0.01% per year for performance fees. The calculation basis for this amount is set out under the "Additional explanation of fees and costs" section of this document.
4. The Investment fee varies according to the option you invest in. The quoted fee here is for the Balanced Growth option.
5. Additional fees may apply. Refer to the 'Additional explanation of fees and costs' section of this document.

Example of annual fees and costs for a superannuation product

This table gives an example of how the ongoing annual fees and costs for the Balanced Growth option for this superannuation product can affect your superannuation investment over a 1-year period.

You should use this table to compare this superannuation product with other superannuation products.

| Example for Balanced Growth investment option | | Balance of \$50,000 |
|---|--|--|
| Administration fees and costs | 0.37% per year Plus 0.01% (paid from the Fund reserve) ¹ . | For every \$50,000 you have in the superannuation product, you will be charged or have deducted from your investment \$190.00 per year in administration fees and costs |
| PLUS Investment fees and costs | 0.55% per year | And , you will be charged or have deducted from your investment \$275.00 in investment fees and costs |
| PLUS Transaction costs | 0.13% per year | And , you will be charged or have deducted from your investment \$50.00 in transaction costs |
| EQUALS Cost of product ² . | | If your balance was \$50,000 at the beginning of the year, then for that year you will be charged fees and costs of \$530.00 for the superannuation product. |

1 This reflects the excess administration costs incurred by the Trustee and paid from the Fund reserve in the 2022/2023 financial year, the Trustee incurred additional administration costs (as described in the Fees and Costs table above).

2 Additional fees may apply.

Changes in fees

The Trustee has the right to change fees at any time without your consent. The monthly cap is automatically indexed to Average Weekly Ordinary Time Earnings (AWOTE) each year on 1 October. Any material increase in the fees you are charged will be communicated to you at least 30 days before they are charged.

Cost of product for 1 year

The cost of product gives a summary calculation about how ongoing annual fees and costs can affect your superannuation investment over a 1-year period for all superannuation products and investment options. It is calculated in the manner shown in the Example of annual fees and costs.

The cost of product information assumes a balance of \$50,000 at the beginning of the year. (Additional fees such as a buy-sell spread may apply: refer to the Fees and costs summary for the relevant superannuation product or investment option.)

You should use this figure to help compare superannuation products and investment options.

Cost of product for 1 year

| Investment option | Cost of product |
|-------------------|-----------------|
| Diversified 50 | \$400.00 |
| Balanced Growth | \$530.00 |
| Growth | \$510.00 |
| Australian Cash | \$235.00 |

Additional explanation of fees and costs

Explanation of Ongoing Annual Fees and Costs

As a member of the Fund there are regular ongoing fees and costs that you pay:

- Administration Fees and Costs
- Investment Fees and Costs
- Transaction Costs.

Administration Fees and Costs

The Administration Fees and Costs fees relate to the administration and operation of the Fund and has the following components:

- The standard administration fees (a percentage fee and/or a fixed dollar fee) relate to the day to day administration costs. They are calculated and deducted from your account on a monthly basis. You will see these fees as a transaction on your account.
- The trustee administration fee (a percentage fee) pays for costs such as the staff costs of the Office of the Superannuation Trustee, Director Fees, product enhancements and the legal and legislative costs of the Fund. The fee is calculated and deducted from the investment returns of each investment option. This fee does not show as a transaction on your account.
- Administration costs met from reserves. Where administration costs are met from a reserve and the costs paid are more than the amount credited to that reserve at 30 June each year, the difference (i.e. excess) is included in the Administration Fees and Costs disclosed in the Fund's next Product Disclosure Statement.

Investment Fees and Costs

Superannuation funds can invest in assets directly or via other managed funds. The fees and costs incurred by the Trustee to invest the assets of the super fund has the following components:

- Investment Fees which are the fees and costs payable for the exercise of care and expertise relating to the investment of the Fund's assets.

- Performance fees and other investment costs, which include fund expenses and fund operating costs, are paid from the assets of the underlying managed funds. They can also be referred to as indirect costs, as the costs are deducted before the investment returns for the underlying funds are declared. These costs are calculated as at 30 June each year based on the actual costs incurred for each of the investment options. This means the costs can vary from year to year.
- Investment costs met from reserves. Where investment costs are met from a reserve and the costs paid are more than the amount credited to that reserve at 30 June each year, the difference (i.e. excess) is included in the Investment Fees and Costs disclosed in the Fund's next Product Disclosure Statement.

Explanation of Performance Fees

Performance fees may be charged by the underlying funds or the investment managers in the underlying funds if they meet specific investment performance targets.

Performance fees provide an incentive for investment managers and underlying funds to achieve superior performance.

Investment managers may earn a performance fee irrespective of an option's overall performance. A performance fee is only payable to the extent that past underperformance by the investment manager has been recovered.

Please note that past performance is not a reliable indicator of future performance and it is impossible to accurately forecast the performance fees that will be payable.

Performance fees are based on realised and unrealised gains. Therefore, a performance fee may be paid on unrealised gains that may never subsequently be realised. Performance fees are accrued daily. The table shows the performance fees for the options based on an average for the five year period to 30 June 2023 (unless the option has been available for a shorter inception period).

The following tables summarise the current Investment Fees and Costs for all investment options and include some estimated numbers. It is important to note that the indirect costs will vary from year to year. These costs are not deducted from your account but are factored into the calculation of the investment returns of each option.

Investment fees and costs

| Investment options | Investment Fee (per year) | Estimated Investment Costs | | Total Investment Fees and Costs (per year) |
|--------------------|---------------------------|------------------------------|---|--|
| | | Performance Fees* (per year) | Other Investment Costs ^{^~} (per year) | |
| Diversified 50 | 0.20% | 0.01% | 0.10% | 0.31% |
| Balanced Growth | 0.42% | 0.01% | 0.12% | 0.55% |
| Growth | 0.34% | 0.01% | 0.10% | 0.45% |
| Australian Cash | 0.05% | 0.00% | 0.04% | 0.09% |

Investment Fees stated in the table are inclusive of any investment fee adjustments.

* The performance fees are an average for the five year period to 30 June 2023.

[^] These values include an Operational Risk Reserve accrual of 0.00%.

[~] For more information regarding the Transaction Costs see the Transaction Costs Table below.

Transaction costs

Transaction costs are the costs incurred when buying and selling assets within each of the investment options. They are incurred in the super fund and/or in the underlying managed funds and include:

- Brokerage;
- Buy-sell spreads;
- Settlement costs (including custody costs);
- Clearing costs; and
- Stamp duty on an investment transaction.

The Transaction costs shown in the Fees and Costs Summary are net of any amount the Trustee has recovered from the application of the buy sell spreads of the investment option. The net transaction cost is the estimated percentage by which the portfolio's investment return has been reduced by transaction costs.

Transaction Costs Table

The table below shows the estimated transaction costs applicable to each investment option. It is important to remember that these costs are not deducted from your account but are factored into the calculation of the investment returns of each option.

| Investment options | Gross Transaction Costs (% per year) | Buy-Sell Spread Recovery (% per year) | Net Transaction Costs (% per year) |
|--------------------|--------------------------------------|---------------------------------------|------------------------------------|
| Diversified 50 | 0.11% | 0.00% | 0.11% |
| Balanced Growth | 0.13% | 0.00% | 0.13% |
| Growth | 0.19% | 0.00% | 0.19% |
| Australian Cash | 0.00% | 0.00% | 0.00% |

Buy-Sell Spread Recovery

Buy-sell spreads are not retained by the Trustee or the Fund's Investment Manager and are reinvested into the relevant investment option. The amount shown in the table is the amount reinvested into the option for the year ended 30 June.

Net Transaction Costs

The net transaction costs equal the total transactional costs less the buy-sell spread recovery. It is the estimated percentage by which the option's investment return has been increased or reduced by transactional and operational costs. A positive net transaction cost reduces the investment return whereas a negative net transaction cost increases the investment return.

Operational Risk Reserve (ORR)

The Operational Risk Reserve (ORR) is required by legislation to ensure there are funds available to the Trustee to rectify operational risks that cause a loss to members. The ORR is managed in accordance with the Trustee's ORFR Policy and is invested in accordance with the investment strategy formulated by the Trustee, which is reviewed on an ongoing basis. The size of the ORR will be reported each year in the Fund's Annual Report and will be reported in the annual audited financial statements.

OTC Derivatives

Over the Counter (OTC) derivatives are derivatives that are privately traded between counterparties. Derivatives are financial products whose value depends on the fluctuations in the value of the underlying financial asset. Examples of common OTC derivatives include Options, Swaps, and Forwards.

The main OTC derivative used in the Fund are Forwards, also known as Forward Contracts, which are agreements to buy or sell an asset at a specified price on a future date. OTC derivatives can also be used for hedging purposes, that is, to reduce the risk of adverse price movements of an asset. The costs to acquire OTC derivatives are included in the investment costs of a super fund.

Investment Fee Adjustment

For all four options you pay a different investment fee than the automatic investment fees that apply in iQ Super which means if you invest in any of the four options below you will receive an Investment Fee Adjustment. This adjustment can be negative (i.e. a deduction) or positive (i.e. a rebate/credit) and is applied to your account as an Investment Fee Adjustment at the end of each month.

| Investment options | Investment fee (per year) | Automatic investment fee through the unit prices (per year) | Investment fee adjustment (Gross)^ (per year) |
|--------------------|---------------------------|---|---|
| Diversified 50 | 0.20% | 0.44% | Rebate of 0.24% |
| Balanced Growth | 0.42% | 0.55% | Rebate of 0.13% |
| Growth | 0.34% | 0.54% | Rebate of 0.20% |
| Australian Cash | 0.05% | 0.05% | Rebate of 0.00% |

^ The rebates or deductions are 'gross of tax'. The actual amount is adjusted by 15%.

An example of how the Investment Fee Adjustment will apply:

If you were invested in the Balanced Growth option at the end of the month and had \$10,000 in your account, the Investment Fee Adjustment is 0.13% p.a. for the month:

= 0.13% p.a. x 0.85 x \$10,000/12 = \$0.92 (to be rebated)

The transaction on your account would be a \$0.92 credit/rebate and would be described as an *Investment Fee Adjustment*.

Updated Indirect Investment Costs and Performance Fee information

The investment costs and performance fees as described above are based on the knowledge or reasonable estimate of the Trustee. These estimates may be based on a number of factors including using any (where relevant), previous financial year information, information provided by managers of underlying funds through which the Fund invests, information gathered by the Trustee or its Investment Manager in making decisions about acquiring or disposing of an investment, including information about costs of similar investments or in similar markets in which the Fund invests, we have made inquiries and undertaken research into the typical costs of the relevant kind of investment and estimated the costs based on the amounts the Trustee would incur if we were to make the investments ourselves.

As such, the fees and costs may differ and are subject to change from time to time. Updated information that is not materially adverse to members will be updated online at russellinvestments.com.au/trusteerequireddisclosure or you may obtain a paper copy of any updated information from us free of charge on request.

Asset Classes

The asset classes may be exposed to, but not limited to, the following types of investments:

| Asset class | Types of investments |
|------------------------|--|
| Australian Equities | Australian listed and unlisted equity-type securities, listed investment companies and investment trusts, Australian listed property-related securities, Australian equity type derivatives and managed investment schemes that provide exposure to any of the aforementioned. This asset class includes common shares, preference shares and units. |
| International Equities | International listed and unlisted equity type securities, listed investment companies and investment trusts, international listed property-related securities, international equity type derivatives and managed investment schemes that provide exposure to any of the aforementioned. This asset class includes common shares, preference shares, units and potentially private equity. |
| Property | Australian and international listed and unlisted property funds and hybrid property-type vehicles. This asset class represents an indirect investment in real estate where the earnings and capital value are dependent on cash flows generated by real estate, through either sale or rental income. |
| Fixed Income | Debt securities issued by supranationals, Australian and international governments, quasi-governments, government agencies, and corporates and structured credit securities including mortgage and asset-backed securities, corporate floating rate notes, fixed interest-type derivatives and managed investment schemes that provide exposure to any of the aforementioned. This asset class represents an exposure to a loan, placement or debt security. Loans are financial assets that are created when a creditor lends funds directly to a debtor, and are evidenced by documents that are not negotiable. Placements are liabilities of entities not described as authorised deposit-taking institutions, e.g. State treasuries. Debt securities are securities that represent borrowed funds which must be repaid by the issuer with defined terms including the notional amount (amount borrowed), an identifiable return and maturity/renewal date. Includes short- and long-term debt securities. |
| Cash | Cash deposits and money market securities (including but not limited to, bank bills and certificates of deposit) and managed investment schemes that provide exposure to any of the aforementioned. This asset class represents an exposure to cash on hand and demand deposits, as well as cash equivalents. Cash equivalents represent short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. |
| Infrastructure | Listed and unlisted securities as well as derivatives that represents an exposure to the basic physical systems of a country, state or region including, but not limited to, transportation, communication, utilities, and public institutions. |
| Commodities | Listed and unlisted securities as well as derivatives that represent an exposure to natural resources that are either grown or extracted from the ground and are often used as inputs in the production of other goods or services. |
| Other Alternatives | Other Alternatives includes non-traditional asset sectors and strategies that do not fit within any of the asset classes listed above (e.g. hedge funds and long-short strategies, absolute return multi-asset strategies and volatility management strategies) and managed investment schemes that provide exposure to any of the aforementioned. |

Defined Fees

You can also find the relevant fee definitions in the ASIC Corporations (Disclosure of Fees and Costs) Instrument 2019/1070 at Division 4A, section 209A at www.legislation.gov.au/Details/F2021C00160. Our contact details are provided on the last page of this document if required.

Activity fees

A fee is an **activity fee** if:

1. the fee relates to costs incurred by the trustee, or the trustees, of a superannuation entity that are directly related to an activity of the trustee, or the trustees:
 - (i) that is engaged in at the request, or with the consent, of a member; or
 - (ii) that relates to a member and is required by law; and
2. those costs are not otherwise charged as administration fees and costs, investment fees and costs, a buy-sell spread, a switching fee, an advice fee or an insurance fee.

Administration fees and costs

Administration fees and costs are fees and costs that relate to the administration or operation of the superannuation entity and includes costs incurred by the trustee of the entity that:

1. relate to the administration or operation of the entity; and
2. are not otherwise charged as investment fees and costs, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.

Advice fees

A fee is an **advice fee** if:

1. the fee relates directly to costs incurred by the trustee of the superannuation entity because of the provision of financial product advice to a member by:
 - (i) a trustee of the entity; or
 - (ii) another person acting as an employee of, or under an arrangement with, the trustee of the entity; and
2. those costs are not otherwise charged as administration fees and costs, investment fees and costs, a switching fee, an activity fee or an insurance fee.

Buy-sell spreads

A **buy-sell spread** is a fee to recover costs incurred by the trustee of the superannuation entity in relation to the sale and purchase of assets of the entity.

Exit fees

An **exit fee** is a fee, other than a buy-sell spread, that relates to the disposal of all or part of a member's interests in a superannuation entity.

Insurance fees

A fee is an **insurance fee** if:

1. the fee relates directly to either or both of the following:
 - (i) insurance premiums paid by the trustee, or the trustees, of a superannuation entity in relation to a member or members of the entity;
 - (ii) costs incurred by the trustee, or the trustees, of a superannuation entity in relation to the provision of insurance for a member or members of the entity; and
2. the fee does not relate to any part of a premium paid or cost incurred in relation to a life policy or a contract of insurance that relates to a benefit to the member that is based on the performance of an investment rather than the realisation of a risk; and
3. the premiums and costs to which the fee relates are not otherwise charged as administration fees and costs, investment fees and costs, a switching fee, an activity fee or an advice fee.

Investment fees and costs

Investment fees and costs are fees and costs that relate to the investment of the assets of a superannuation entity and includes:

1. fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and
2. costs incurred by the trustee of the entity that:
 - (i) relate to the investment of assets of the entity; and
 - (ii) are not otherwise charged as administration fees and costs, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.

Switching fees

A **switching fee** for a MySuper product is a fee to recover the costs of switching all or part of a member's interest in a superannuation entity from one class of beneficial interest in the entity to another.

A **switching fee** for a superannuation product other than a MySuper product, is a fee to recover the costs of switching all or part of a member's interest in the superannuation entity from one investment option or product in the entity to another.

Transaction costs

Transaction costs are costs associated with the sale and purchase of assets of the superannuation entity other than costs that are recovered by the superannuation entity charging buy-sell spreads.

Fund Reserve

The Trustee also maintains an Fund Reserve that is used for purposes approved by the Trustee from time to time. These may include enhancing the features of the Fund, as well as meeting the costs of implementing legal and regulatory change.

This Fund Reserve has been funded by net interest on the cash held at the Fund's bank account.

The size of the Fund Reserve will be reported each year in the Fund's Annual Report and will be reported in the annual audited financial statements. The Fund Reserve is invested in the same way as Australian Cash.

For more information, please call us.

Advice fees

We generally provide simple personal advice relating to your interests in Harwood Pension at no additional cost. This includes topics such as how it's invested or making contributions.

For advice on more complex situations there may be a cost involved, which will always be advised before you proceed with the advice. Any personal advice you receive will be documented and sent to you. Refer to the Help and Advice section further below to see your advice options.

Expense recoveries

All of the Trustee's expenses that relate to the proper performance of its duties are recoverable from Harwood Pension, including custody, administration, GST (less any reduced input tax credits), trustee, legal and audit expenses. The actual expense recoveries are not known until the end of the financial year.

The estimated expense recoveries for each investment option are included in that option's Investment fee or estimated indirect costs.

The Trustee is entitled to be indemnified for any liability we properly incur in relation to Harwood Pension.

Operational Risk Reserve

The Operational Risk Reserve (ORR) is required by legislation to ensure there are funds available to the Trustee to rectify operational risks that cause a loss to members. The ORR is managed in accordance with the Trustee's ORFR Policy and is invested in accordance with the investment strategy formulated by the Trustee, which is reviewed on an ongoing basis.

The size of the ORR will be reported each year in the Fund's Annual Report and will be reported in the annual audited financial statements.

Payment of adviser remuneration

The Trustee does not pay any adviser remuneration.

Related party payments

Members and affiliates of the Trustee may receive fees on normal commercial terms for providing services to the Trustee.

Family Law fees

A Family Law settlement can be made by an agreement or court order. Before a court order is made, you should contact us to check that the instructions in the proposed court order can be carried out. It is possible that we may also need to be asked to comment on draft agreements.

The Family Law Act allows us to charge fees for certain activities. These fees will be indexed by AWOTE at 1 October each year and the current fees are:

- **Requests for information: \$150.00.** A cheque made payable to 'Russell Investments Master Trust' for the relevant amount must be received by Harwood Pension before the information can be provided.

Withdrawal or termination fees

There are no withdrawal or termination fees in Harwood Pension. In addition to your regular payments, you are typically limited to two ad-hoc pension payments each year.

Estate planning

Who can you nominate?

Under superannuation law, the people that you can nominate to receive your superannuation benefit should you die must be Dependants, which includes:

- your spouse (including de facto of the same or different sex)
- your children (including step, adopted, and ex-nuptial children, or a child of your spouse)
- any person who is financially dependent on you
- any person with whom you have an interdependency relationship including:
 - (i) any person with whom you have a close personal relationship and with whom you live, where one or both of you provide ongoing financial support, domestic support and personal care, and
 - (ii) any person with whom you have a close personal relationship, where because of a disability, the above requirements of living together, financial support, domestic support and personal care are not able to be satisfied.

You can elect to have your benefit paid as defined in the below table. If you do not make a nomination, your benefit will be paid to your dependants or your estate, as determined by the Trustee.

Who decides where your benefit is paid?

| Preferred (Non-binding) nomination | Binding nomination | Reversionary pension |
|---|---|--|
| <p>This type of nomination allows you to nominate who you would like to receive your death benefit. The Trustee will consider your nomination but ultimately decides who receives your benefit.</p> <p>Superannuation law seeks to ensure that it is paid to people with whom you have a close personal relationship or who are financially dependent on you.</p> | <p>This type of nomination allows you to control, within certain parameters, who receives your death benefit.</p> | <p>A reversionary pension automatically becomes payable to another person (called the 'reversionary beneficiary') upon your death.</p> <p>You can only choose one reversionary beneficiary, and they must meet the definition of Dependant at the time of your death. Generally, a reversionary beneficiary will be your spouse.</p> <p>The reversionary beneficiary will be able to elect to withdraw the Pension Account balance as a lump sum or continue to receive a regular pension.</p> |

How do you make a nomination?

| Preferred (Non-binding) nomination | Binding nomination | Reversionary pension |
|--|--|--|
| <p>You can advise the Trustee of who you would like to receive your benefit by nominating your preferred beneficiaries on your Application Form or the Change of Personal Details Form.</p> <p>In determining who receives your benefit, the Trustee will consider your preferred beneficiary as well as your circumstances at the time of your death. It's important to keep your nomination up to date and to pay attention to who qualifies as a dependant. We recommend you reconsider your beneficiary nominations whenever your circumstances change, e.g. through marriage, divorce or if you have a child.</p> | <p>To make a binding nomination, you must complete either your Application Form (for new members) or the Change of Personal Details Form. In particular, you will need to:</p> <ul style="list-style-type: none">• nominate individuals who satisfy the definition of Dependant, or nominate your 'Legal Personal Representative' or 'Estate' if you wish your death benefit to be paid to your estate• sign and date the form in the presence of two witnesses as specified on the form. | <p>You must nominate your reversionary beneficiary when commencing your pension. If you need to change or delete a reversionary beneficiary; please complete a Change of Personal Details Form.</p> <p>It is important to note that you will need to close your existing Pension and recommence a new one if you change or delete your reversionary beneficiary. This may have significant implications on any Centrelink benefits, and we recommend you seek professional advice before making that decision.</p> |

How long is your nomination valid?

| Preferred (Non-binding) nomination | Binding nomination | Reversionary pension |
|------------------------------------|--|----------------------|
| Non-lapsing | A binding nomination will remain in place for three years from the date the form was signed unless it is replaced, revoked or re-confirmed within this time. | Non-lapsing |

Other important information

| Preferred (Non-binding) nomination | Binding nomination | Reversionary pension |
|------------------------------------|--|--|
| | <p>Reconfirming a nomination</p> <p>You can re-confirm your binding nomination for a further three years (before the expiry date of the nomination) by submitting a written reconfirmation request. The request must be signed by you but does not need to be witnessed.</p> <p>Revoke, cancel or update a nomination</p> <p>You can replace or cancel a binding nomination at any time by completing a new Change Personal Details Form.</p> <p>A revocation notice must be completed in the same way as your original nomination, including the need for two witnesses.</p> <p>What happens when you die?</p> <p>If your binding nomination is valid at the date of death, the Trustee is required to pay your benefit in accordance with your instructions.</p> <p>You should be aware that a binding nomination will not necessarily become invalid if your circumstances change.</p> <p>Therefore, it is important that you review your nomination regularly to ensure it remains up to date. You should note that the relationship between you and each of your nominated beneficiaries will not be investigated at the time of receipt of your nomination but will be validated at the date of death by the Trustee.</p> <p>If a nominated beneficiary is not an eligible beneficiary under superannuation law at the date of death (e.g. no longer financially dependent, has pre-deceased the member etc.) then the whole binding nomination will be treated as invalid.</p> <p>An invalid binding nomination will be treated in the same way as a preferred beneficiary nomination.</p> <p>Taxes may apply to the payment of your investments out of Harwood Pension in the event of your death. You should ask your financial adviser or accountant about any taxes that may apply.</p> | <p>Transfer balance cap</p> <p>It is important to note the transfer balance cap impacts reversionary pensioners. The transfer balance cap has been \$1.9 million since 1 July 2023, however a different cap may apply to you depending on your circumstances.</p> <p>For more information on the transfer balance cap and how it affects you, please refer to the ATO website.</p> <p>Some beneficiaries may need to take action to avoid exceeding this cap.</p> <p>Before making a decision, we recommend you seek estate planning advice.</p> <p>Pension setup pre-1 January 2015</p> <p>Reversionary pension setup pre-1 January 2015 will be able to continue non-deeming status if the reversionary nominee has continuously been receiving income support payments. Please seek estate planning advice or consult with a financial adviser for more details.</p> |

What happens when you die?

Your family or legal representative should contact the Fund as soon as possible for further direction.

Additional information

Enquiries or complaints

If you have any questions that are not answered in this booklet, please call us. If your enquiry is not resolved to your satisfaction and you wish to lodge a complaint, please contact us:

By phone

1800 555 667

By email

RIMTcomplaints@russellinvestments.com.au

By mail

Complaints Officer

Russell Investments Master Trust -
Harwood Pension
Locked Bag A4094
Sydney South NSW 1235

Depending on the nature of your complaint, we may ask you to provide further information in writing so that we can fully understand the complaint. We will provide assistance to you if necessary and a prompt written acknowledgment of receipt of your complaint. Our goal is to handle your complaint efficiently and fairly and we will provide the Trustee's decision as quickly as possible. We generally aim to have complaints resolved within 45 days.

However, if your complaint relates to a death benefit claim or to a declined disablement benefit claim, it may take some time to gather all the information necessary to enable the complaint to be properly considered. You can obtain advice in relation to the complaints handling process or feedback on the status of your complaint by calling us.

If your complaint is not resolved by our internal complaints process or if you are not satisfied with our response to your complaint, you can take the matter to the Australian Financial Complaints Authority (AFCA). AFCA can be contacted at:

By phone

1800 931 678

By email

info@afca.org.au

By mail

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001

Your privacy

Russell Investments provides a range of services to the Trustee. In providing those services, the Trustee as well as Russell Investments may collect personal information directly from you. In relation to the collection of that information, our privacy policy includes the following information.

Contact details

If you would like to contact the Trustee or Russell Investments on a privacy issue, you can address your enquiry to:

The Privacy Officer
Harwood Pension
GPO Box 3279
Sydney NSW 2001

Access

Subject to certain conditions, you can gain access to whatever personal information the Trustee has collected about you.

Disclosure

Your personal information may be disclosed to a number of other parties, including advisers, insurers, regulators and the courts. In some situations, the law may require the provision of information to your spouse or former spouse.

The purpose of collecting information

Federal legislation covering superannuation and taxation matters requires certain minimum information to be collected. The information is collected to assist with the provision of services to you as a member in Harwood Pension.

This may include a range of related secondary purposes, including the provision of general education about superannuation and retirement issues and information about other benefits available to you as a current or former member of Harwood Pension.

Consequences of non-provision of information

If you choose not to provide us with certain information, the consequences are typically changes or reductions in the benefits or tax concessions to which you are entitled.

It may also mean that we are unable to process your instructions.

There is more detailed information on this area in the Trustee's Privacy Policy.

Privacy policy

You can get a copy of the policy at [russellinvestments.com.au/legal/trm-privacy-policy](https://www.russellinvestments.com.au/legal/trm-privacy-policy) or by contacting us or the Privacy Officer.

More information

Further information about Harwood Pension is available by calling us. The provision of some types of information may be subject to a charge. The Trustee will provide all information that it believes you would reasonably need in order to make an informed assessment of the management and financial condition of Harwood Pension, as well as the investment performance.

The information in the PDS is up to date at the time of publishing. If there is a material change to any of the information in the PDS, the Trustee will notify you in writing. If a change is not material, the Trustee will instead provide the updated information to members via the web site, russellinvestments.com.au/trusteerequireddisclosure. A paper copy of this information will be sent to any member, free of charge, on request.

Forms

Application Form – All members must initially complete this form and the accompanying TFN declaration and Withholding declaration (if applicable).

Change Investment Options Form – Use this form to switch investments.

Change Personal Details Form – Use this form to change your contact details, your nominated bank account or your beneficiaries for estate planning.

Change Pension Payment Form – Use this form to change the amount and/or timing of your pension payments.

Retiring Statutory Declaration Form – Use this form if you are eligible to lift the 10% maximum limit on your pension.

Ad-hoc Payment Form – Use this form to instruct us to make an ad-hoc pension payment outside of your regular payment nomination.

Tax Withholding Guide and Form – Authorise your payer to increase the amount withheld from payment to you.

Closing Account Form – Use this form if you would like to terminate your account.

Some helpful definitions

The Fund refers to the Russell Investments Master Trust.

'Russell Investments Funds' refers to the managed investment schemes managed by Russell Investments.

'we', 'our' or 'us' indicates a reference to the trustee.

'Trustee', 'trustee' or 'TRM' refers to Total Risk Management Pty Ltd.

'Russell Investments' refers to a company (other than the Trustee) which is a member of the Russell Investments group of companies.

'Investment options' refers to any of the investment options available to you as a member in Harwood Pension, including Diversified and Sector investment options.

'Investment Manager' refers to Russell Investment Management Ltd.

'member' an individual who is both a member of and holds an interest in Harwood Pension.

'Investment holding' or 'account' in Harwood Pension refers to any account.

'Pension Account' is a superannuation pension from which members receive pension payments.

What you need to remember

This PDS contains general information only. It has not been prepared having regard to your investment objectives, financial situation or specific needs. Before making an investment decision, you need to consider whether this product is appropriate to your objectives, financial situation and needs. You may wish to seek professional financial advice before making an investment decision.

Help and advice

We offer a range of advice options and helpful information relating to your interests in Harwood Pension.

Call us on 1800 555 667 to find out more or see which service is right for you. Some of the services may incur a fee and you will always be notified upfront.

Phone**1800 555 667**

Monday to Friday, 8:30am – 5:30pm (AEST)

Fax

(02) 9372 6288

AddressRussell Investments Master Trust -
Harwood Pension
Locked Bag A4094
Sydney South NSW 1235**Website**russellinvestments.com.au/harwoodpension**Email**iq@russellinvestments.com.au

2. TAX FILE NUMBER (TFN) AND WITHHOLDING DECLARATIONS

Under the *Superannuation Industry (Supervision) Act 1993*, your superannuation fund is authorised to collect your Tax File Number (TFN), which will only be used for lawful purposes.

These purposes may change in the future as a result of legislative change. The Trustee of your superannuation fund may disclose your TFN to another superannuation provider, when your benefits are being transferred, unless you request in writing to the Trustee of your superannuation fund that your TFN not be disclosed to any other superannuation provider.

It is not an offence not to quote your TFN. However, giving your TFN to your superannuation fund will have the following advantages (which may not otherwise apply).

- Your superannuation fund will be able to accept all types of contributions to your account(s).
- Concessional contributions will generally be taxed at the concessional rate of 15% (without your TFN, these contributions will be taxed at a higher rate).
- Other than the tax that may ordinarily apply, no additional tax will be deducted when you start drawing down your superannuation benefits.
- It will make it much easier to trace different superannuation accounts in your name, so that you receive all your superannuation benefits when you retire.

Your TFN will otherwise remain confidential.

Fill in your nine-digit TFN here:

| | | | | | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <input type="text"/> |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|

3. INITIAL INVESTMENT

Please note that the minimum investment is \$50,000.

Transfer funds from your Harwood super account.



The member number of the account which funds should be transferred from is:

| | | | | | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <input type="text"/> |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|

Please transfer \$

| | | | | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <input type="text"/> |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|

 .00

Please transfer the total balance.

Please complete the details below:

I have not left employment.

I have left employment/will be leaving on

| | | | | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <input type="text"/> |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|

 (DD MM YYYY)

If you have requested to transfer your total balance after leaving employment we will wait for final contributions from your employer to arrive before making the transfer.

4. INVESTMENT CHOICE AND PAYMENT STRATEGY



You must indicate how you wish your pension account to be invested. Your account cannot be opened unless you provide this information. You may also elect a Payment Strategy by indicating the options from which your pension payments are redeemed. If your election becomes void at any stage, we will generally redeem proportionally from your remaining investment.

My investment choice and payment strategy:

Please complete both columns.

| Diversified options | Pension Account | Payment Strategy |
|------------------------------|---|---|
| Diversified 50 | <input type="text"/> <input type="text"/> <input type="text"/> .00% | <input type="text"/> <input type="text"/> <input type="text"/> .00% |
| Balanced Growth | <input type="text"/> <input type="text"/> <input type="text"/> .00% | <input type="text"/> <input type="text"/> <input type="text"/> .00% |
| Growth | <input type="text"/> <input type="text"/> <input type="text"/> .00% | <input type="text"/> <input type="text"/> <input type="text"/> .00% |
| Sector options | | |
| Australian Cash ¹ | <input type="text"/> <input type="text"/> <input type="text"/> .00% | <input type="text"/> <input type="text"/> <input type="text"/> .00% |
| Total allocation = | 100% | 100% |

¹ This investment option carries a low level of investment risk, which means they are likely to deliver low investment returns. If you're planning to invest a significant amount of your super in this option for more than 1-2 years, it's important to consider this. You should read the PDS and/or get financial product advice before you continue. If you have any questions or want more information, please contact us.

5. PENSION PAYMENTS

a. My nominated pension payment is (mark one box only):

- Minimum payment**
The minimum legislated amount, which is calculated as a percentage of the value of your pension account at the later of the last 1 July or the date you opened the pension account and pro-rated for remaining days in the year. If you open your pension account in the month of June, the minimum legislated amount for that tax year is zero and no payment would be made until the following financial year.
- Specific dollar amount**
Specific annual dollar amount \$.00 (before tax), pro-rated for remaining days in the year.

Please note you must also make a selection below to indicate the frequency of payments for future years.

b. My pension should be paid (and pro-rated accordingly, if applicable) as follows (mark one box only):

- Monthly** Please make the monthly payments on or around the 15th of each month.
- Quarterly** Please make payments on or around the 15th of September, December, March and June.
- Semi-annually** Please make payments on or around the 15th of the next December and June.
- Annually** Please make payments on or around the **15th of June**.
- Annually** Please make payments on or around the **15th of July**.

8. PROOF OF YOUR IDENTITY (CONTINUED)

Electronic verification — Document 2: Australian Driver's Licence

First name as shown on your licence:

Surname as shown on your licence:

Australian Driver's Licence number:

Expiry date:

State of issue:

Electronic verification — Document 3: Passport

(Please provide an Australian passport if possible, alternatively you can provide details of a foreign passport if you have a visa issued by the Australian Department of Immigration and Border Protection.)

Given name/s (including middle name) as shown on your passport:

Surname as shown on your passport:

Passport number:

Country of issue:

Place of birth as shown on your passport:

Date of issue:

Family name at birth (not shown on your passport):

Visa number (for foreign passports only):

Option 2: Provide certified copies of identification documents

I have attached copies of my certified proof of identity with this form, in accordance with the requirements set out in the **Additional information for completing this form.**

Important: Make sure the copies you provide follow the requirements set out in the **Additional information for completing this form.** If your documents are not certified correctly or are otherwise unacceptable we will not be able to prove your identity, which will delay processing your payment request.

ADDITIONAL INFORMATION FOR COMPLETING THIS FORM

PROOF OF IDENTITY

Under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act)*, superannuation funds are required to identify, monitor and mitigate the risk that the Fund may be used for the laundering of money or the financing of terrorism.

As a result, if you are requesting a cash payment or transfer to an SMSF, you need to prove you are the person to whom the superannuation entitlements belong. Please note, you will need to prove your identity at the time of each payment request. Processing of this form cannot proceed until we have verified your identity in one of the following ways. There are two ways to prove your identity:

1. You can use this form to authorise the Fund to verify your identity electronically

If you provide consent in Section 9 of this form, the Fund may disclose details of the identification documents you provide and the personal details on file for you (such as your name, residential address and date of birth) to a third-party reporting entity for the purpose of confirming your identity as required under the AML/CTF Act. The reporting entity may use the information disclosed in order to provide an assessment of whether the information provided matches personal information held on file (in whole or in part). If your personal details cannot be verified for any reason, we will notify you before we proceed with your payment request.

2. You can provide certified paper copies of identification documentation

If you do not provide consent in Section 9 for the Fund to verify your identity electronically, you will need to provide certified copies of identification documentation.

You need to get an authorised person to certify a photocopy of:

- A valid driver's licence issued under State or Territory law

OR

- A valid proof of age card issued under State or Territory law

OR

- A passport which is currently valid or which expired[^] within the last two years*

AND

You also need to get an authorised person to certify a photocopy of:

- Birth certificate or extract*

OR

- Citizenship certificate issued by the Commonwealth

OR

- Pension card issued by Centrelink that entitles you to financial benefits

OR

- Letter from the Department of Human Services within the last 12 months, which shows your name and residential address and advises of a financial benefit payable to you

OR

- An income tax assessment notice issued to you by the ATO within the last 12 months, showing your name and residential address and records a debt payable to or by you. An equivalent notice from an overseas country may be accepted in some circumstances

OR

- A notice issued to you by a local government body (e.g. council rates notice) within the last three months, which shows your name and residential address and records the provision of services to you

[^] We can only accept expired Australian passports.

* If your passport or birth certificate/extract is not in English, it must be accompanied by an English translation prepared by an accredited translator.

INITIAL INVESTMENT

You can only invest by transferring money from another division of Russell Investments Master Trust. You must advise the amount we can expect to receive on the Application Form.

Remember that for initial investments, the minimum total amount you need to invest is \$50,000.

PENSION PAYMENTS

You are required to nominate the value and timing of your regular pension payments. Please consider the minimum payment limit that applies to you. We will enforce the limit if applicable.

You must nominate a bank account to receive your pension payments.

ESTATE PLANNING – NOMINATION OF BENEFICIARIES

You should nominate how you would prefer your accounts to be paid in the event of your death.

In the event of your death, you can elect to have your pension paid to your spouse or a lump sum can be paid to your spouse and/or any dependants.

The Trustee will consider who should receive the lump sum value of your pension account(s) (if it isn't to be paid to your spouse) as required by law by taking into account any nominations you might make.

Your beneficiaries* should be people with whom you have a close personal relationship or who are financially dependent on you. You could also nominate your 'Estate' or 'Personal Legal Representative'. If you do this your benefit will be paid according to your Will (or according to the law of your State or Territory if you have no Will). Be sure to specify the percentage of your benefit you wish to allocate to each person and ensure that the total adds to 100%.

* Your beneficiaries/dependants can include:

- your spouse (including de facto of the same or different sex);
- your children (including step, adopted, and ex-nuptial children, or a child of your spouse);
- any other person the Trustee considers is wholly or partially financially dependent on you at the date of your death;
- any person with whom you have an interdependency relationship including:
 - any person with whom you have a close personal relationship and with whom you live, where one or both of you also provides ongoing financial support, domestic support and personal care; and
 - any person with whom you have a close personal relationship, where because of a disability, the above requirements of living together, financial support, domestic support and personal care are not able to be satisfied

RETIRING STATUTORY DECLARATION

The Harwood Pension is only available to members who are considered to be retired. Please tick the box in section 7 of the Application Form that applies to you.

'Gainfully employed' means you have worked for at least 40 hours in a period of not more than 30 consecutive days in the current financial year.

