

How we invest your money

17 March 2024

The information in this document forms part of the following Product Disclosure Statements (as supplemented from time to time):

- › UniSuper *Accumulation 1 Product Disclosure Statement* issued on 28 September 2023
- › UniSuper *Defined Benefit Division and Accumulation 2 Product Disclosure Statement* issued on 28 September 2023
- › UniSuper *Flexi Pension Product Disclosure Statement* issued on 28 September 2023
- › UniSuper *Personal Account Product Disclosure Statement* issued on 28 September 2023



ABOUT THIS DOCUMENT

This document has been prepared and issued by UniSuper Limited. It contains detailed information about how your Accumulation 1, Personal Account, Defined Benefit Division, Accumulation 2 or Flexi Pension account is invested and the investment options available to you. It should be read in conjunction with the Product Disclosure Statement (PDS) that applies to your UniSuper product

Information in this document may change from time to time. If the changes are not materially adverse, you will find the updates, along with this document, at unisuper.com.au/pds. You can also request a paper or electronic copy of updates without charge by calling **1800 331 685**.

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This document assumes you're an Australian resident for income tax purposes.

The information in this document is of a general nature only and does not take into account your individual objectives, financial situation or needs. You should consider the appropriateness of the information having regard to your personal circumstances and consider consulting a qualified financial adviser before making an investment decision based on information contained in this document. The value of your investments can go up or down and investment returns can be positive or negative. The Trustee does not guarantee the performance of the Fund's investment options. To the extent that this document contains any information which is inconsistent with the UniSuper Trust Deed and Regulations (together, 'the Trust Deed') the Trust Deed will prevail.

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AWARD-WINNING FUND

We've won a string of awards and high ratings for our long-term investment performance, value and services from the country's top ratings and research agencies and well-known publications. Importantly, past performance isn't an indicator of future performance. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. For more information about our awards and ratings go to unisuper.com.au/awards.



Where relevant, the organisations included in this document have provided their consent to the materials and statements attributed to them, in the form and context in which they appear and have not withdrawn this consent as at the date of preparation.

Introduction

Your super is likely to be one of the biggest investments you'll have during your lifetime. It's important to consider your options carefully, so you select the investments that best suit your needs.

Most UniSuper members get to choose from a range of investment options,* giving you flexibility to set your own investment strategy. Before choosing your investment options, think about your circumstances, needs and your risk appetite.

1. WHAT ARE YOU AIMING FOR AND WHAT ARE YOUR NEEDS?

Whether retirement is 40 weeks or 40 years away, start by thinking about your goals.

2. HOW INVOLVED DO YOU WANT TO BE?

Decide how involved you want to be in managing your super. Are you happy to leave it to us (which means your super will be invested in our default Balanced investment option) or would you prefer to choose your own diversified portfolio?

3. COMPARE INVESTMENT OPTIONS

Look at the objectives, investment strategy, risks and potential ranges of returns of each investment option. You can choose one or a combination of options.

4. MAKE YOUR CHOICE

You can choose or switch your investment option(s) by:

- switching online, or
- completing an *Investment choice form* and returning it to us by post.

Switches submitted online are processed quicker than paper-based switches. You should consider this before deciding how and when to switch. Read more about this in section 'Making your investment choice'.

Need advice?

No matter where you are in your super journey, if you need help when it comes to making your choice, we recommend speaking to a qualified financial adviser. Our award-winning advice team can help you with your financial decisions no matter your financial situation or stage of life. For more information on your advice options with UniSuper, visit unisuper.com.au/advice or call 1800 823 842.



What if I don't make an investment choice?

If you don't make an investment choice, your super will be invested in our default Balanced (MySuper) investment option. See 'Your investment options' section for more information.

PENSION AND DBD MEMBERS

MySuper doesn't apply to you. For information on the Balanced option applicable to you, see 'Your investment options' section.

* If you're in the Defined Benefit Division (DBD), investment choice applies only to the accumulation component of your super. See unisuper.com.au/dbd for more information.

What are you aiming for and what are your needs?

You can decide how your money is invested—but how do you know which investment is right for you? Here we look at some of the things you'll need to consider.

What are you aiming for?

To choose the investment option(s) that best suits your needs, you need to think about what your needs are:

- When do you plan to retire?
- How far away is that day, and how long does it give you to save?
- Do you plan to permanently retire from the workforce, or remain employed on a part-time or casual basis?
- How long could your retirement last?

These are all important questions to ask when it comes to determining what you need your super to achieve, and which investments are most likely to help you reach that goal.

How much super will be enough?

One of the most important things to consider is how much super you'll need—and that depends largely on the type of lifestyle you want in retirement. Will you be happy enough with a lifestyle that provides you with the basics? Or would you prefer a more comfortable lifestyle that includes some of life's extras, such as eating out, going to the theatre, or taking a regular holiday? Our online calculators can help you find out if you're on track. Visit [unisuper.com.au/calculators](https://www.unisuper.com.au/calculators) and start planning today.

How long do you have to save?

When choosing your investment option(s) consider how long you'll have to invest (or your investment time frame), which might be until you retire or start transitioning to retirement.

It's also important to understand the relationship between investment time frames and investment risk, which we cover in the next section.

The main risk when investing your super is that your savings will fall short of your income needs in retirement. This is why it's important to consider your investment time frame when choosing your investment option(s).

As a general rule, investors with longer investment time frames (for example, 15 years or more) may be able to tolerate the short-term ups and downs in financial markets associated with assets like shares, and benefit from higher or moderate long-term returns that these assets may provide.

On the other hand, investors with shorter investment time frames (for example, 10 years or less)—or who now depend on their super savings to provide them with retirement income—may have less capacity for their investments to recover from significant fluctuations in value. They may be more comfortable with assets that are less likely to fluctuate over shorter periods, like cash and fixed interest, but which may deliver lower returns over the long term. However, in order to maintain the real value of your investment, the returns achieved by your chosen investment option must at least equal or exceed the rate of inflation over time.

Did you know?

You can earn investment returns on top of your investment returns. This is called 'compounding'—learn more about how it works by visiting [unisuper.com.au/investment-basics](https://www.unisuper.com.au/investment-basics).

Why is inflation important?

Inflation can potentially eat into your super savings. That's why it's important to consider investment strategies that have the potential to grow above inflation over time, particularly if your super is going to stay invested for many years.



Price in 2053 is estimated based on an annual inflation rate of 2.5% for 30 years.

How much investment risk are you willing to take?

Investment risk is the likelihood that money will be lost on an investment. Risk can come from a range of sources depending on the investments held. For example, changes in market, economic, social and political conditions can all affect different investments in different ways, causing them to go up or down in value. It's important to be aware that returns may not always be positive—just as an investment's value can go up, it can also go down. When it comes to investing, risk and return are linked.

Generally, the greater the potential returns that an investment may achieve, the greater the risk associated with it. While it's usually impossible to predict exactly how 'risky' an investment might be, or precisely what returns it will achieve, particular asset classes tend to have certain risk and return characteristics.

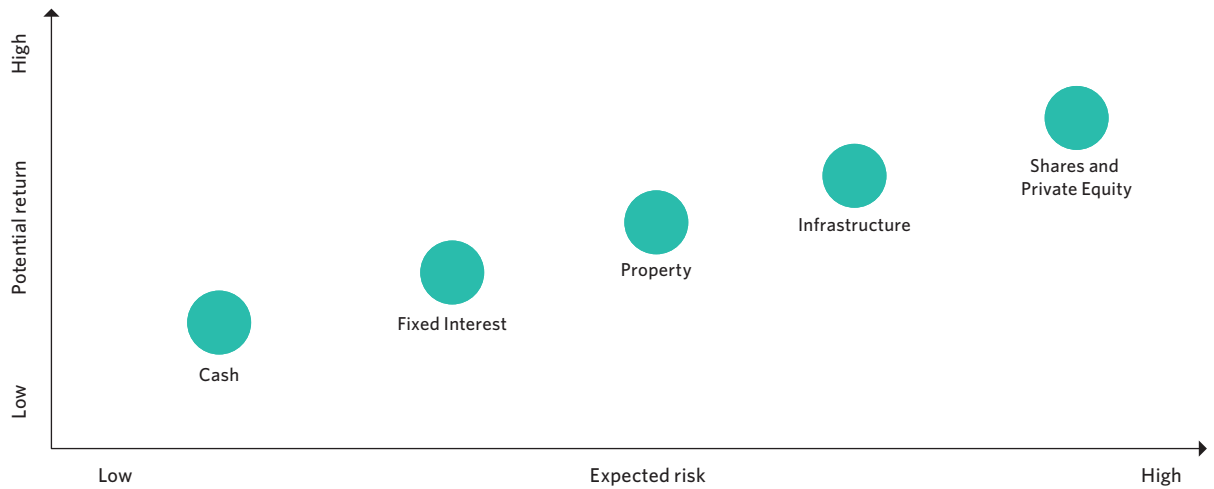
For example, shares are considered higher risk assets since they tend to carry higher levels of investment risk, but they also have the potential for higher returns over longer time frames.

Cash investments on the other hand generally have lower levels of risk, but also tend to produce lower overall returns.

To maintain the real value of your investment, the returns achieved by your chosen investment option must at least equal or exceed the rate of inflation over time.

The chart within this section illustrates the relative position of the asset classes on the risk and return spectrum.

You'll find more about the asset classes we invest in, in the next section.

ASSET CLASS RISK AND RETURN CHARACTERISTICS**A diversified approach**

'Diversification' simply means investing across a mix of assets, rather than investing all of your money in just one type. It draws on the fact that different types of investments tend to perform differently from one another at different times. If one of the investments in your overall portfolio is performing poorly, this poor performance may be offset by the better performing investments in your portfolio.

You can diversify by choosing investments across a broad range of asset classes, for example shares, property, fixed interest and cash. You can also diversify within a single asset class, for example by choosing a share portfolio comprising the shares of many different companies rather than investing in just one or two companies.

Our Pre-Mixed investment options are already diversified across a range of asset classes. Our Sector investment options are less diversified and may be limited to a single asset class. They're intended to be combined with other investment options to build a diversified portfolio.

If you choose to only invest in a single Sector option, you may be exposed to more risk and may miss out on the benefits of the balance between risk and return offered by a Pre-Mixed option.

You'll find more information on the Pre-Mixed and Sector investment options in the 'Your investment options' section.

Let's compare

Our Pre-mixed Balanced option invests across five asset classes and has exposure to over 2,000 entities. Our Global Companies in Asia Sector option, however, invests in a single asset class and may have exposure to as few as 30 companies. As such, it is best suited to being combined with Pre-Mixed or other Sector options.

Find out more about our investment options in the 'Your investment options' section of this document.

How would you like to invest your super?

You can choose the Pre-Mixed investment options to match your needs and leave the rest to us. If you prefer a more hands-on approach, you can build your own strategy using our Sector options, or a combination of both.

What we offer

PRE-MIXED OPTIONS

Select the mix that best suits you. These options combine different mixes of asset classes that we manage for you. Our investment managers select and manage the investments within each asset class.

These options suit members who prefer us to manage a diversified mix of investments on their behalf. You can choose to invest in more than one Pre-Mixed option and combine our Pre-Mixed options with Sector options.

SECTOR OPTIONS

Build your own portfolio with these single sector options and choose how much you want to invest in each. Our investment managers select and manage the investments within each asset class. These options suit members who want to be more hands on and choose their own asset allocation.

SUSTAINABLE AND ENVIRONMENTAL BRANDED OPTIONS

We offer two pre-mixed sustainable branded investment options and a specialist environmental branded option. These investment options have been certified by the Responsible Investment Association of Australasia (RIAA).

Choosing your investment strategy

Asset classes are the building blocks of your investment strategy. They generally group together similar types of investments. Some options will invest in only one asset class, while others will include a mix.

What are asset classes?

An asset class is a specific category of assets or investments. Each asset class tends to carry a different level of risk as well as a different level of expected returns.

There are a wide range of asset classes that build up your investment strategy



FIXED INTEREST (ALSO CALLED BONDS)

Includes loans to governments, private companies, banks and other corporations that are issued as securities, which pay regular interest over a set term. Returns come from the interest paid on this 'loan', as well as any increase (or decrease in the case of negative returns) in the value of the underlying securities.

Fixed interest returns are typically higher than cash and lower than shares over the long term. Returns can fluctuate over the short term but are usually more stable than shares.



CASH

Investments include money in bank deposits or in short-term money market securities. Cash provides largely stable short-term returns and has the lowest volatility of all asset classes. Therefore, cash is generally considered a stable investment. Cash returns come largely from interest paid on the amount invested, as well as any increase (or decrease in the case of negative returns) in the value of the underlying securities.



SHARES

Includes part of a company that you can buy and sell on a securities exchange and may include shares in unlisted companies (for example private companies that are expected to list publicly on a security exchange) and may also include listed real estate investment trusts (REITs) which we view as investments in their own right. Interest in these securities may be held directly or via a pooled vehicle. You can access large and small companies across a range of industries in Australia and overseas.



INFRASTRUCTURE AND PRIVATE EQUITY

We invest in entities involved in infrastructure such as roads and airports. We also hold investments in private equity funds (funds that invest in companies not listed on public share markets) and can also make direct investments into private equity (investments in unlisted companies).

When investing in infrastructure or directly into private equity entities, these entities may directly or indirectly invest and refer to real property or interests in land. However, we do not view these investments in infrastructure or private equity entities as predominately intending to benefit from increases in the value of, or returns from holding, real property or an interest in land.

We view the direct investments in infrastructure and private equity as investments in their own right. When assessing their potential as an investment opportunity, we consider a range of factors. The likely returns from the entity we've invested in is one important factor, because ultimately these are the returns our members actually receive. Other factors include the strength of their balance sheets, capital management discipline, the quality of their boards, management teams and assets, and a range of other financial metrics.



PROPERTY

Investing in property can mean different things to different people. When we say we invest in property, investments include investments in land, real estate or real property across the industrial, retail, office and alternative sectors. These investments can be direct or via entities known as REITs. These entities often generate revenues through property related activities such as rents and development profits. REITs may be listed or unlisted.



LISTED REITs (REAL ESTATE INVESTMENT TRUSTS)

Listed REITs are also known as 'listed property trusts' or 'LPTs'. They're entities which are publicly listed on stock exchanges which generate income from various activities associated with properties. Investing in a listed REIT is very different from investing in unlisted real estate or property and the likely returns will be very different. In addition to rental income and development profits, some listed REITs generate significant revenue from management or development fees which they charge their clients.

The investment returns from listed REITs are different from, and are more volatile than, returns from investing in unlisted real estate. This is because listed share prices are affected by a range of factors such as market sentiment and market conditions as well as the strength of their management teams, capital management practices and diversity of income generating activities, amongst other things.

Your investment options

With a range of investment options in both our Pre-Mixed and Sector menus, you have flexibility to set your strategy.

Our investment options are split into Pre-Mixed and Sector options. You can choose any investment options from either or both of the investment menus (each nomination must be in whole numbers), though our Sector options aren't designed to be used in isolation.

Our investment options

PRE-MIXED

- Conservative
- Conservative Balanced
- Balanced (MySuper)
- Sustainable Balanced
- Growth
- High Growth
- Sustainable High Growth

SECTOR

- Cash
- Australian Bond
- Australian Income
- Listed Property
- Australian Shares
- International Shares
- Global Environmental Opportunities
- Australian Dividend Income
- Global Companies in Asia

Each of our investment options has a specific 'strategic asset allocation', which outlines the option's unique mix of asset classes.

If you tailor your strategy, you may need to increase or reduce the amount you invest in each investment option to bring it back in line with your selected investment strategy from time to time. This is called 'rebalancing'. For more information on portfolio balancing, see the 'Making your investment choice' section.

Find out more

For more about our Sustainable Balanced, Sustainable High Growth and Global Environmental Opportunities options, see the 'How we manage your investments' section.

TOLERANCE RANGES

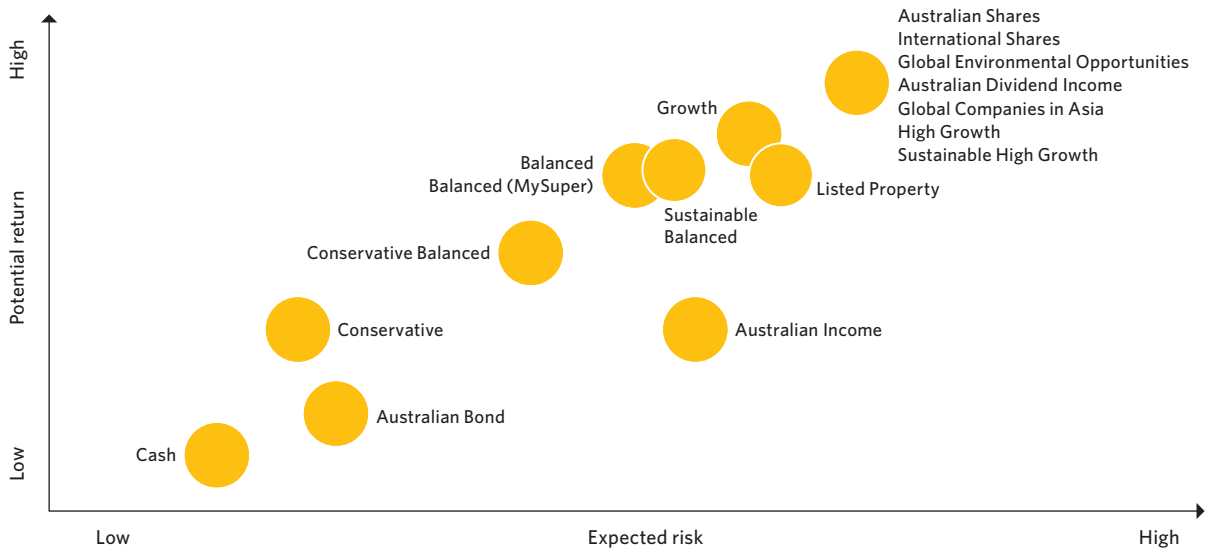
As a general guide, we aim to ensure that actual allocations for the majority of investment options don't deviate from the strategic allocations by more than +/- 20%. Specific ranges for all our options are detailed in the 'Your investment options' section. This applies to the amount that each option invests in each specific asset class. It allows for some variation in the strategic allocations and accounts for both natural market movements and to accommodate its investment strategy.

We may restrict the strategic allocations to tighter bands within this range if necessary. These ranges may change. Visit unisuper.com.au/investments for a current listing of the tolerance ranges that apply to our strategic asset allocations.

We don't use derivatives or other leveraged instruments in a way that may result in a particular asset allocation exceeding 100% or being below 0%.

The Sector investment options may from time to time include a small allocation to cash for portfolio management purposes. The Australian Dividend Income option has an asset allocation to Australian shares of between 70% and 100%, with the remainder (up to 30%) allocated to income securities (i.e. not ordinary shares, such as debt securities). It may also include non-Australian exposures from time to time.

UNISUPER'S INVESTMENT OPTION RISK/RETURN PROFILES



The strategic asset allocations are correct as at 17 March 2024 but may change during your UniSuper membership. In particular, the Trustee may alter the strategic asset allocation or the composition of individual asset classes from time to time to suit prevailing market circumstances. Some portion of the allocation to international investments may be hedged against currency movements. Actual allocations will deviate from their targets, but are monitored so they're kept within the Trustee-approved tolerance range.

This chart refers to long run expectations. The risk profiles of these options may deviate relative to the chart over the shorter term depending on current asset valuations and market movements.

RISK VERSUS RETURN

The graph above shows an approximation of our investment options when comparing each option's potential return and its expected volatility risk over the long term—in other words, the potential for returns to fluctuate. In this section we've classified each investment option using a different measure of risk—based on the Standard Risk Measure recommended by our regulators—which measures the number of years in a 20-year period that returns are expected to be negative (ignoring how large or small any investment gains or losses might be). This is why the graph above may show different risk ratings to the ratings shown later in this section.

Changes to investment options

We make changes to our investment options from time to time. For example, we may add or remove an investment option or make changes to its asset weightings or to the underlying investments of the option. We'll let you know about any materially adverse changes, including if any investment options are to be discontinued. Other changes to our investment objectives and strategic asset allocations will be published on our website.

Find out more

Visit [unisuper.com.au/investments](https://www.unisuper.com.au/investments) for more information about how investment returns are applied.

Pre-Mixed or Sector, what's right for you?

	PRE-MIXED INVESTMENT MENU	SECTOR INVESTMENT MENU
What does it include?	A range of diversified investment options, each with its own return objectives and its own blend of assets.	A range of mainly single asset class options designed to be blended with other single asset class options or combined with Pre-Mixed options to create your own unique asset mix.
Who is it designed for?	If you are seeking an option that aligns to your risk level which invests across a range of asset classes. We do the work for you by allocating funds across asset classes.	If you're a more hands-on investor who has experience in selecting and monitoring your investments, you may be interested in our Sector investment menu. Note that no individual single asset class investment option is designed to make up 100% of your account. Instead, they're intended to be used in combination with other single asset class or Pre-Mixed options, or to complement a broader existing investment portfolio.
What would I have to do?	When choosing a Pre-Mixed option, simply select the investment option(s) that best match your investment time horizon, your level of comfort with investment risk, and the goals you set for your super and retirement savings.	You define how you want your money invested by selecting your own mix from our range of Sector and Pre-Mixed options. Apart from determining your own unique asset mix, you'll also need to monitor and rebalance your portfolio as necessary to ensure it remains in line with the investment strategy you've set. More information on portfolio rebalancing is available in the 'Making your investment choice' section.

PRE-MIXED INVESTMENT OPTIONS

Conservative

PERFORMANCE OBJECTIVE¹

To achieve returns (after taxes and investment expenses, before deducting account-based fees) that are at least 1.0% p.a. more than inflation (CPI) over the suggested time frame.

MEMBER SUITABILITY

Suits members who want exposure to a range of asset classes and are less comfortable with large fluctuations in the value of their investments.

SUGGESTED INVESTMENT TIME FRAME

Minimum of five years

INVESTMENT STRATEGY

To invest in a diversified portfolio of mainly assets like fixed interest and cash, and some assets like shares, property, infrastructure and private equity.

STRATEGIC ASSET ALLOCATION (%)



Australian Shares	9 (0-29)
International Shares	7 (0-27)
Property	9 (0-29)
Infrastructure & Private Equity	10 (0-30)
Cash & Fixed Interest	65 (45-85)

EXPECTED FREQUENCY OF NEGATIVE ANNUAL RETURN

One to less than two in 20 years

SUMMARY RISK LEVEL

Low to medium

Conservative Balanced

PERFORMANCE OBJECTIVE¹

To achieve returns (after taxes and investment expenses, before deducting account-based fees) that are at least 2.0% p.a. more than inflation (CPI) over the suggested time frame.

MEMBER SUITABILITY

Suits members who want exposure to a range of asset classes and are less comfortable with large fluctuations in the value of their investments.

SUGGESTED INVESTMENT TIME FRAME

Minimum of five years

INVESTMENT STRATEGY

To invest in a diversified portfolio of assets like fixed interest and cash, shares, property, infrastructure and private equity.

STRATEGIC ASSET ALLOCATION (%)



Australian Shares	19 (0-39)
International Shares	17 (0-37)
Property	9 (0-29)
Infrastructure & Private Equity	9 (0-29)
Cash & Fixed Interest	46 (26-66)

EXPECTED FREQUENCY OF NEGATIVE ANNUAL RETURN

Two to less than three in 20 years

SUMMARY RISK LEVEL

Medium

¹ Performance objectives are not promises or predictions of any particular rate of return.

Each of the asset classes may include small or residual cash balances for portfolio management purposes. Strategic asset allocations are long term targets. Actual allocations will vary from their strategic allocations, but are monitored so that they are kept within a 'tolerance range' approved by the Trustee (refer to the 'Your investment options' section for details). The strategic asset allocation is correct as at 17 March 2024 but may change throughout your UniSuper membership. In particular the Trustee may alter the strategic asset allocation or the composition of individual asset classes from time to time to suit prevailing market circumstances. Some portion of the allocation to international investments may be hedged against currency movements. Different currencies may be hedged to different extents or possibly not at all. Negative returns may occur more or less regularly than expected. Updated strategic asset allocations and significant changes will be published on our website at unisuper.com.au/investments and in the updated latest version of this document at unisuper.com.au/pds.

PRE-MIXED INVESTMENT OPTIONS

Balanced

PERFORMANCE OBJECTIVE¹

To achieve returns (after taxes and investment expenses, before deducting account-based fees) that are at least 3.0% p.a. more than inflation (CPI) over the suggested time frame.

MEMBER SUITABILITY

Suits members who want exposure to a range of mainly higher risk asset classes and are comfortable with the value of their investments fluctuating.

SUGGESTED INVESTMENT TIME FRAME

Minimum of ten years

INVESTMENT STRATEGY

To invest in a diversified portfolio of mainly higher risk assets such as Australian and international shares, property, infrastructure and private equity, with some fixed interest and cash investments.

STRATEGIC ASSET ALLOCATION (%)



Australian Shares	28 (8-48)
International Shares	30 (10-50)
Property	3 (0-23)
Infrastructure & Private Equity	11 (0-31)
Cash & Fixed Interest	28 (8-48)

EXPECTED FREQUENCY OF NEGATIVE ANNUAL RETURN

Three to less than four in 20 years

SUMMARY RISK LEVEL

Medium to high

Sustainable Balanced

PERFORMANCE OBJECTIVE¹

To achieve returns (after taxes and investment expenses, before deducting account-based fees) that are at least 3.0% p.a. more than inflation (CPI) over the suggested time frame.

MEMBER SUITABILITY

Suits members who:

- want exposure to a range of higher risk asset classes
- are comfortable with the value of their investments fluctuating and are comfortable with greater volatility because of sustainable screens²
- are comfortable with the explanation of listed property exposures on page 6 and the returns being different from (and more volatile than) returns from owning real property.

SUGGESTED INVESTMENT TIME FRAME

Minimum of six years

INVESTMENT STRATEGY

To invest in a diversified portfolio of Australian and international shares that are selected on the basis of sustainable investment criteria (and the application of some negative screens and/or positive screens), together with Australian listed property, fixed interest, infrastructure, private equity and cash assets. Refer to the 'How we manage your investments' section for more information.

STRATEGIC ASSET ALLOCATION (%)



Australian Shares	24 (4-44)
International Shares	39 (19-59)
Property	0 (0-20)
Infrastructure & Private Equity	9 (0-29)
Cash & Fixed Interest	28 (8-48)

EXPECTED FREQUENCY OF NEGATIVE ANNUAL RETURN

Four to less than six in 20 years

SUMMARY RISK LEVEL

High

¹ Performance objectives are not promises or predictions of any particular rate of return.

² Read the 'How we manage your investments' section and our website to find out what sustainable and environmental investing means to us and what our investment options can invest in. Different products have different approaches.

Each of the asset classes may include small or residual cash balances for portfolio management purposes. Strategic asset allocations are long term targets. Actual allocations will vary from their strategic allocations, but are monitored so that they are kept within a 'tolerance range' approved by the Trustee (refer to the 'Your investment options' section for details). The strategic asset allocation is correct as at 17 March 2024 but may change throughout your UniSuper membership. In particular the Trustee may alter the strategic asset allocation or the composition of individual asset classes from time to time to suit prevailing market circumstances. Some portion of the allocation to international investments may be hedged against currency movements. Different currencies may be hedged to different extents or possibly not at all. Negative returns may occur more or less regularly than expected. Updated strategic asset allocations and significant changes will be published on our website at unisuper.com.au/investments and in the updated latest version of this document at unisuper.com.au/pds.

PRE-MIXED INVESTMENT OPTIONS

Growth

PERFORMANCE OBJECTIVE¹

To achieve returns (after taxes and investment expenses, before deducting account-based fees) that are at least 3.5% p.a. more than inflation (CPI) over the suggested time frame.

MEMBER SUITABILITY

Suits members who want exposure to a range of mainly higher risk asset classes and are comfortable with the value of their investments fluctuating.

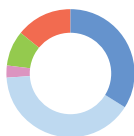
SUGGESTED INVESTMENT TIME FRAME

Minimum of seven years

INVESTMENT STRATEGY

To invest in a diversified portfolio of mainly higher risk assets such as Australian and international shares, property, infrastructure and private equity, with some fixed interest and cash investments.

STRATEGIC ASSET ALLOCATION (%)



Australian Shares	34 (14-54)
International Shares	40 (20-60)
Property	3 (0-23)
Infrastructure & Private Equity	9 (0-29)
Cash & Fixed Interest	14 (0-34)

EXPECTED FREQUENCY OF NEGATIVE ANNUAL RETURN

Four to less than six in 20 years

SUMMARY RISK LEVEL

High

High Growth

PERFORMANCE OBJECTIVE¹

To achieve returns (after taxes and investment expenses, before deducting account-based fees) that are at least 4.0% p.a. more than inflation (CPI) over the suggested time frame.

MEMBER SUITABILITY

Suits members who want exposure to a range of higher risk asset classes and are comfortable with the value of their investments fluctuating.

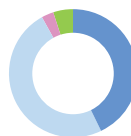
SUGGESTED INVESTMENT TIME FRAME

Minimum of seven years

INVESTMENT STRATEGY

To invest in a diversified portfolio of mainly higher risk assets such as Australian and international shares, property, infrastructure and private equity, with some fixed interest and cash investments.

STRATEGIC ASSET ALLOCATION (%)



Australian Shares	43 (23-63)
International Shares	49 (29-69)
Property	3 (0-23)
Infrastructure & Private Equity	5 (0-25)
Cash & Fixed Interest	0 (0-20)

EXPECTED FREQUENCY OF NEGATIVE ANNUAL RETURN

Four to less than six in 20 years

SUMMARY RISK LEVEL

High

¹ Performance objectives are not promises or predictions of any particular rate of return.

Each of the asset classes may include small or residual cash balances for portfolio management purposes. Strategic asset allocations are long term targets. Actual allocations will vary from their strategic allocations, but are monitored so that they are kept within a 'tolerance range' approved by the Trustee (refer to the 'Your investment options' section for details). The strategic asset allocation is correct as at 17 March 2024 but may change throughout your UniSuper membership. In particular the Trustee may alter the strategic asset allocation or the composition of individual asset classes from time to time to suit prevailing market circumstances. Some portion of the allocation to international investments may be hedged against currency movements. Different currencies may be hedged to different extents or possibly not at all. Negative returns may occur more or less regularly than expected. Updated strategic asset allocations and significant changes will be published on our website at unisuper.com.au/investments and in the updated latest version of this document at unisuper.com.au/pds.

PRE-MIXED INVESTMENT OPTIONS

Sustainable High Growth

PERFORMANCE OBJECTIVE¹

To achieve returns (after taxes and investment expenses, before deducting account-based fees) that are at least 4.0% p.a. more than inflation (CPI) over the suggested time frame.

MEMBER SUITABILITY

Suits members who:

- want exposure to a range of higher risk asset classes
- are comfortable with the value of their investments fluctuating and are comfortable with greater volatility because of sustainable screens³
- are comfortable with the explanation of listed property exposures on page 6 and the returns being different from (and more volatile than) returns from owning real property.

SUGGESTED INVESTMENT TIME FRAME

Minimum of seven years

INVESTMENT STRATEGY

To invest in a diversified portfolio of securities (including but not limited to securities) comprising Australian and international shares selected on the basis of sustainable investment criteria (and the application of some negative screens and/or positive screens), together with Australian listed property, infrastructure and private equity, property with some fixed interest and cash investments. Refer to the 'How we manage your investments' section for more information.

STRATEGIC ASSET ALLOCATION (%)



Australian Shares	38 (18-58)
International Shares	56 (36-76)
Property	0 (0-20)
Infrastructure & Private Equity	6 (0-26)
Cash & Fixed Interest	0 (0-20)

EXPECTED FREQUENCY OF NEGATIVE ANNUAL RETURN

Four to less than six in 20 years

SUMMARY RISK LEVEL

High

SECTOR INVESTMENT OPTIONS

Cash

PERFORMANCE OBJECTIVE¹

To achieve the RBA cash rate² (before taxes and investment expenses, before deducting account-based fees) over the suggested time frame.

MEMBER SUITABILITY

Suits members who want to invest in a specific asset class and are less comfortable with large fluctuations in the value of their investments.

SUGGESTED INVESTMENT TIME FRAME

Minimum of one year⁴

INVESTMENT STRATEGY

This option may invest in a diversified portfolio of cash and money-market securities, including (but not limited to) at-call and term bank deposits, bank bills, negotiable certificates of deposit, notice accounts and other short-term fixed income securities out to a maximum maturity of around one year. However, from December 2021, where your funds are invested in this option, they will be placed in an at call deposit product with National Australia Bank Limited ABN 12 004 044 937 AFSL 230686 pursuant to an arrangement UniSuper has with National Australia Bank Limited. This option is not a deposit by you in a bank account and your balance is not guaranteed under the Australian Government bank deposit guarantee scheme.

STRATEGIC ASSET ALLOCATION (%)



Cash	100
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EXPECTED FREQUENCY OF NEGATIVE ANNUAL RETURN

0.5 to less than one year in 20 years

SUMMARY RISK LEVEL

Low

¹ Performance objectives are not promises or predictions of any particular rate of return.

² The RBA cash rate is the interest rate on unsecured overnight loans between banks. The overnight (interbank) cash rate can differ from the RBA's cash rate target.

³ Read the 'How we manage your investments' section and our website to find out what sustainable and environmental investing means to us and what our investment options can invest in. Different products have different approaches.

⁴ Depending on circumstances, this investment option may also be suitable for a suggested timeframe of less than one year.

Each of the asset classes may include small or residual cash balances for portfolio management purposes. Strategic asset allocations are long term targets. Actual allocations will vary from their strategic allocations, but are monitored so that they are kept within a 'tolerance range' approved by the Trustee (refer to the 'Your investment options' section for details). The strategic asset allocation is correct as at 17 March 2024 but may change throughout your UniSuper membership. In particular the Trustee may alter the strategic asset allocation or the composition of individual asset classes from time to time to suit prevailing market circumstances. Some portion of the allocation to international investments may be hedged against currency movements. Different currencies may be hedged to different extents or possibly not at all. Negative returns may occur more or less regularly than expected. Updated strategic asset allocations and significant changes will be published on our website at unisuper.com.au/investments and in the updated latest version of this document at unisuper.com.au/pds.

SECTOR INVESTMENT OPTIONS

Australian Bond

PERFORMANCE OBJECTIVE¹

To achieve returns that match the relevant bond index (before fees and taxes) over the suggested time frame.

MEMBER SUITABILITY

Suits members who want to invest in a specific asset class and are less comfortable with large fluctuations in the value of their investments.

SUGGESTED INVESTMENT TIME FRAME

Minimum of five years

INVESTMENT STRATEGY

To predominantly invest in securities (including but not limited to securities) issued or guaranteed by the Australian (Federal and State) governments and cash.

STRATEGIC ASSET ALLOCATION (%)



■ Australian Bonds 100

EXPECTED FREQUENCY OF NEGATIVE ANNUAL RETURN

Three to less than four years in 20 years

SUMMARY RISK LEVEL

Medium to High

Australian Income

PERFORMANCE OBJECTIVE¹

To achieve returns (before fees and taxes) that exceed the RBA cash rate by 1.0% p.a. over the suggested time frame.

MEMBER SUITABILITY

Suits members who want to invest in a specific asset class and are less comfortable with large fluctuations in the value of their investments.

SUGGESTED INVESTMENT TIME FRAME

Minimum of four years

INVESTMENT STRATEGY

To invest in a range of Australian fixed interest instruments including but not limited to fixed and floating corporate and government bonds, hybrids, residential mortgage backed securities, private credit and cash. The Option will have a 20% limit to Australian Private Credit. From time to time and subject to market conditions, the Trustee may also add a modest allocation towards global fixed interest instruments. Although unlikely, equity holdings may also arise in the event of a default, restructure or conversion of an existing credit security.

STRATEGIC ASSET ALLOCATION (%)



■ Australian Fixed Interest 100 (90-100)
■ Global Fixed Interest 0 (0-10)

EXPECTED FREQUENCY OF NEGATIVE ANNUAL RETURN

Three to less than four years in 20 years

SUMMARY RISK LEVEL

Medium to High

¹ Performance objectives are not promises or predictions of any particular rate of return.

Each of the asset classes may include small or residual cash balances for portfolio management purposes. Strategic asset allocations are long term targets. Actual allocations will vary from their strategic allocations, but are monitored so that they are kept within a 'tolerance range' approved by the Trustee (refer to the 'Your investment options' section for details). The strategic asset allocation is correct as at 17 March 2024 but may change throughout your UniSuper membership. In particular the Trustee may alter the strategic asset allocation or the composition of individual asset classes from time to time to suit prevailing market circumstances. Some portion of the allocation to international investments may be hedged against currency movements. Different currencies may be hedged to different extents or possibly not at all. Negative returns may occur more or less regularly than expected. Updated strategic asset allocations and significant changes will be published on our website at unisuper.com.au/investments and in the updated latest version of this document at unisuper.com.au/pds.

SECTOR INVESTMENT OPTIONS

Listed Property¹

This is a listed REITs option

PERFORMANCE OBJECTIVE²

To achieve returns (after taxes and investment expenses, before deducting account-based fees) that are at least 3.0% p.a. more than inflation (CPI) over the suggested time frame.

MEMBER SUITABILITY

Suits members who:

- want to invest in a specific asset class
- are comfortable with the value of their investments fluctuating
- are comfortable with the explanation of listed property exposures on page 6 and that returns will reflect changes in security prices on listed markets which will be different from (and more volatile than) returns from owning real property.

SUGGESTED INVESTMENT TIME FRAME

Minimum of six years

INVESTMENT STRATEGY

To invest in a diversified portfolio of securities, including but not limited to, listed property securities.

STRATEGIC ASSET ALLOCATION (%)



Australian Listed Property (REITs)	50 (30-70)
International Listed Property (REITs)	50 (30-70)

EXPECTED FREQUENCY OF NEGATIVE ANNUAL RETURN

Four to less than six in 20 years

SUMMARY RISK LEVEL

High

Australian Shares

PERFORMANCE OBJECTIVE²

To achieve returns (after taxes and investment expenses, before deducting account-based fees) that are at least 4.0% p.a. more than inflation (CPI) over the suggested time frame.

MEMBER SUITABILITY

Suits members who want to invest in a specific asset class and are comfortable with the value of their investments fluctuating.

SUGGESTED INVESTMENT TIME FRAME

Minimum of seven years

INVESTMENT STRATEGY

To invest in a diversified portfolio of securities, including but not limited to, Australian shares.³

STRATEGIC ASSET ALLOCATION (%)



Australian Shares	100
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EXPECTED FREQUENCY OF NEGATIVE ANNUAL RETURN

Four to less than six in 20 years

SUMMARY RISK LEVEL

High

¹ This option is not intended for people who are seeking returns from investing in real property. Investing in a listed REIT is very different from investing in real estate or real property. Listed REITs can generate income from management fees or development fees as well as rental income and there are a range of factors which can influence share prices including market sentiment and macroeconomic conditions, amongst other things. The likely returns from listed REITs will be very different and more volatile than returns experienced from unlisted real property and real estate investments. Read more about REITs (real estate investment trusts) on page 6.

² Performance objectives are not promises or predictions of any particular rate of return.

³ From time to time this option may hold non-Australian exposures.

Each of the asset classes may include small or residual cash balances for portfolio management purposes. Strategic asset allocations are long term targets. Actual allocations will vary from their strategic allocations, but are monitored so that they are kept within a 'tolerance range' approved by the Trustee (refer to the 'Your investment options' section for details). The strategic asset allocation is correct as at 17 March 2024 but may change throughout your UniSuper membership. In particular the Trustee may alter the strategic asset allocation or the composition of individual asset classes from time to time to suit prevailing market circumstances. Some portion of the allocation to international investments may be hedged against currency movements. Different currencies may be hedged to different extents or possibly not at all. Negative returns may occur more or less regularly than expected. Updated strategic asset allocations and significant changes will be published on our website at unisuper.com.au/investments and in the updated latest version of this document at unisuper.com.au/pds.

SECTOR INVESTMENT OPTIONS

International Shares

PERFORMANCE OBJECTIVE¹

To achieve returns (after taxes and investment expenses, before deducting account-based fees) that are at least 4.0% p.a. more than inflation (CPI) over the suggested time frame.

MEMBER SUITABILITY

Suits members who want to invest in a specific asset class and are comfortable with the value of their investments fluctuating.

SUGGESTED INVESTMENT TIME FRAME

Minimum of seven years

INVESTMENT STRATEGY

To invest in a diversified portfolio of global shares and securities, which may include up to 10% in Australian shares.

STRATEGIC ASSET ALLOCATION (%)



■ International Shares 100

EXPECTED FREQUENCY OF NEGATIVE ANNUAL RETURN

Four to less than six in 20 years

SUMMARY RISK LEVEL

High

Global Environmental Opportunities

PERFORMANCE OBJECTIVE¹

To achieve returns (after taxes and investment expenses, before deducting account-based fees) that are at least 4.0% p.a. more than inflation (CPI) over the suggested time frame.

MEMBER SUITABILITY

Suits members who want to invest in a specific asset class and are comfortable with the value of their investments fluctuating.

SUGGESTED INVESTMENT TIME FRAME

Minimum of seven years

INVESTMENT STRATEGY

To invest in a diversified portfolio of shares and securities in international companies and some Australian companies whose business activities seek to address current and emerging environmental issues and opportunities. Refer to the 'How we manage your investments' section for more information.

STRATEGIC ASSET ALLOCATION (%)



■ International Shares 100

EXPECTED FREQUENCY OF NEGATIVE ANNUAL RETURN

Four to less than six in 20 years

SUMMARY RISK LEVEL

Very high

¹ Performance objectives are not promises or predictions of any particular rate of return.

Each of the asset classes may include small or residual cash balances for portfolio management purposes. Strategic asset allocations are long term targets. Actual allocations will vary from their strategic allocations, but are monitored so that they are kept within a 'tolerance range' approved by the Trustee (refer to the 'Your investment options' section for details). The strategic asset allocation is correct as at 17 March 2024 but may change throughout your UniSuper membership. In particular the Trustee may alter the strategic asset allocation or the composition of individual asset classes from time to time to suit prevailing market circumstances. Some portion of the allocation to international investments may be hedged against currency movements. Different currencies may be hedged to different extents or possibly not at all. Negative returns may occur more or less regularly than expected. Updated strategic asset allocations and significant changes will be published on our website at unisuper.com.au/investments and in the updated latest version of this document at unisuper.com.au/pds.

SECTOR INVESTMENT OPTIONS

Australian Dividend Income

PERFORMANCE OBJECTIVE¹

To achieve a gross yield which exceeds the dividend yield of the Australian equity market, and provide potential for capital growth over the suggested time frame.

MEMBER SUITABILITY

Suits members who want to invest in a specific asset class and are comfortable with the value of their investments fluctuating.

SUGGESTED INVESTMENT TIME FRAME

Minimum of seven years

INVESTMENT STRATEGY

To invest in a portfolio of securities, including but not limited to, Australian shares and up to 30% in income securities (i.e. not ordinary shares, such as debt securities), that are expected to be high yielding.²

STRATEGIC ASSET ALLOCATION (%)



Australian Shares ²	100 ³ (70-100)
Income Securities	0 (0-30)

EXPECTED FREQUENCY OF NEGATIVE ANNUAL RETURN

Four to less than six in 20 years

SUMMARY RISK LEVEL

High

Global Companies in Asia

PERFORMANCE OBJECTIVE¹

To achieve returns (after taxes and investment expenses, before deducting account-based fees) that are at least 4.0% p.a. more than inflation (CPI) over the suggested time frame.

MEMBER SUITABILITY

Suits members who want to invest in a specific asset class and are comfortable with the value of their investments fluctuating.

SUGGESTED INVESTMENT TIME FRAME

Minimum of seven years

INVESTMENT STRATEGY

To invest in a portfolio of global securities (including but not limited to, international shares) which may include Australian shares and securities that seeks to take advantage of the expected growth in consumption of emerging Asian economies by investing in well-established global brands.

STRATEGIC ASSET ALLOCATION (%)



International Shares	100
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EXPECTED FREQUENCY OF NEGATIVE ANNUAL RETURN

Four to less than six in 20 years

SUMMARY RISK LEVEL

High

¹ Performance objectives are not promises or predictions of any particular rate of return.

² From time to time this option may hold non-Australian exposures.

³ This option predominantly invests in Australian shares. Up to 30% of the assets in this option can be invested in Australian income securities, such as credit and debt securities, hybrid and Australian high yield credit instruments.

Each of the asset classes may include small or residual cash balances for portfolio management purposes. Strategic asset allocations are long term targets. Actual allocations will vary from their strategic allocations, but are monitored so that they are kept within a 'tolerance range' approved by the Trustee (refer to the 'Your investment options' section for details). The strategic asset allocation is correct as at 17 March 2024 but may change throughout your UniSuper membership. In particular the Trustee may alter the strategic asset allocation or the composition of individual asset classes from time to time to suit prevailing market circumstances. Some portion of the allocation to international investments may be hedged against currency movements. Different currencies may be hedged to different extents or possibly not at all. Negative returns may occur more or less regularly than expected. Updated strategic asset allocations and significant changes will be published on our website at unisuper.com.au/investments and in the updated latest version of this document at unisuper.com.au/pds.

MYSUPER - ACCUMULATION MEMBERS ONLY

UniSuper is authorised to offer 'MySuper'. Employees who don't have a super fund, or have never made an investment choice, will usually have their employer contributions made to a MySuper. It's designed to protect members by ensuring funds that offer MySuper products meet certain rules regarding their investment strategies, fees and insurance cover.

UniSuper has selected its Balanced option to be its MySuper investment strategy.

DBD and Pension members can't become part of MySuper. You can view our MySuper dashboard including MySuper investment returns at unisuper.com.au/mysuper/mysuper-dashboard.

Pension and DBD members

MySuper doesn't apply to you. For information on the Balanced option applicable to you, see page 11.

HOW THE RETURN TARGET IS CALCULATED

Return targets aren't guaranteed. Negative returns may occur more or less often than expected.

The return target for the Balanced (MySuper) option has been calculated in accordance with MySuper requirements. It is the average of the expected returns, based on long-run return assumptions.

The investment strategies for the Balanced (MySuper) option and the Balanced option described earlier in this section are the same. However, the return target for the Balanced (MySuper) option is higher than the return target for the Balanced option because the Balanced (MySuper) option objective is less conservative, and we have a lower degree of confidence in achieving it.

This doesn't mean that we are aiming for the Balanced (MySuper) option to have higher returns or that it has a riskier investment strategy.

Balanced (MySuper)**PERFORMANCE OBJECTIVE¹**

CPI + 3.8% p.a. over 10 years (after fees, costs and taxes) for a member who has a constant \$50,000 balance and who does not incur any activity-based fees.

MEMBER SUITABILITY

Suits members who want exposure to a range of asset classes and are comfortable with the value of their investments fluctuating.

SUGGESTED INVESTMENT TIME FRAME

Ten years

INVESTMENT STRATEGY

To invest in a diversified portfolio of mainly higher risk assets such as Australian and international shares, property, infrastructure and private equity, with some fixed interest and cash investments.

STRATEGIC ASSET ALLOCATION (%)

Australian Shares	28 (8-48)
International Shares	30 (10-50)
Property	3 (0-23)
Infrastructure & Private Equity	11 (0-31)
Cash & Fixed Interest	28 (8-48)

EXPECTED FREQUENCY OF NEGATIVE ANNUAL RETURN

Three to less than four in 20 years

SUMMARY RISK LEVEL

Medium to high

¹ Return targets are not promises or predictions of any particular rate of return.

Each of the asset classes may include small or residual cash balances for portfolio management purposes. Strategic asset allocations are long term targets. Actual allocations will vary from their strategic allocations, but are monitored so that they are kept within a 'tolerance range' approved by the Trustee (refer to the 'Your investment options' section for details). The strategic asset allocation is correct as at 17 March 2024 but may change throughout your UniSuper membership. In particular the Trustee may alter the strategic asset allocation or the composition of individual asset classes from time to time to suit prevailing market circumstances. Some portion of the allocation to international investments may be hedged against currency movements. Different currencies may be hedged to different extents or possibly not at all. Negative returns may occur more or less regularly than expected. Updated strategic asset allocations and significant changes will be published on our website at unisuper.com.au/investments and in the updated latest version of this document at unisuper.com.au/pds.

Making your investment choice

It's important to keep track of and manage your investments. There are a number of ways to monitor the progress of your investments and adjust your portfolio if you need to. You can choose an investment strategy for your rollovers, future contributions and existing account balance.

Future contributions strategy

You can choose the way contributions to your account are invested from a range of investment options.* This is known as your future contributions strategy. You can change this strategy at any time but it won't affect the way your existing account balance is invested. No fee applies if you change your future contributions strategy. If you haven't nominated a future contributions strategy at the time we receive your contribution, then your contribution will be invested in our default Balanced (MySuper) option.

You can change your future contributions strategy at any time through your online account or by using our *Investment choice form*. Changes made through your online account are effective immediately.

Rollover strategy

You can choose the way rollovers (or transfers) to your account are invested—this is known as your rollover strategy.* Your rollover strategy will apply to all future rollovers to your account from when it's processed, until you change it.

You can update your rollover strategy at any time. The investment option(s) for your existing account balance and your future contributions strategy will remain the same. No fee applies if you change your rollover strategy. If you don't select a rollover strategy, all rollovers to your account will be invested in line with your future contributions strategy.

You can change your rollover strategy at any time through your online account or by using our *Investment choice form*. Changes made through your online account are effective immediately.

Investment switching

You can change investment options for your existing account balance—this is called an investment switch.* An investment switch doesn't change the way your future contributions and rollovers are invested, so you need to also consider updating your future contributions strategy and rollover strategy when you make an investment switch, unless you're in a pension product.

Investment switching allows you to respond to significant changes in your personal financial circumstances by altering your investment choice to suit your needs. You can switch your investment option(s) at any time through your online account or by using our *Investment choice form*, available at unisuper.com.au/forms. We do not charge a fee for investment switching.

Investment switches take up to three Melbourne business days to be processed and become effective—contributions and rollovers received after your request is made, but before your request is processed, may be considered part of your existing account balance when we process your investment switch request. See the information in the table on page 21 to understand when your switch becomes effective.

Thinking about making a switch?

A UniSuper adviser can help you figure out what investment mix is right for you. More information on UniSuper Advice—our in-house financial advice service for members—is covered later in this section.

* Investment choice doesn't apply to the defined benefit component of a DBD account. Rollover and future contribution strategies don't apply to UniSuper Flexi Pensions.

How investment returns are applied

Investment returns can be positive or negative and are applied by calculating a specific crediting rate for each investment option, net of tax, investment fees and costs.

During a quarter, we calculate interim crediting rates on a daily basis, based on the information available at the time. Then, at the end of a quarter, we calculate a final crediting rate which takes into account additional information (for example, recent valuations of the assets of the investment option).

You'll see investment returns applied as a transaction to your account:

- following 30 June and 31 December each year when the final crediting rates are declared
- when you switch your investment options
- when you make a partial or full withdrawal.

When these transactions occur, your account will be updated to reflect any difference between previous interim and final crediting rates.

If you're invested in an investment option at the end of the quarter and you make a switch, or a partial withdrawal from the investment option before the final crediting rate is issued, the final crediting rate will still be applied to the balance you held to the end of the quarter.

However, if you remain invested in an investment option at the end of a quarter, and make a full withdrawal from the fund before final crediting rates are declared, interim crediting rates will apply to the entire balance you held in that investment option at the end of the quarter.

If you transfer funds between a UniSuper super account and a UniSuper pension account (or vice versa), the transfer will be treated as a withdrawal for crediting rate purposes (even though you may choose the same investment options in the account you're transferring to). When you request a withdrawal, the amount we pay you will include your investment returns (positive or negative) on your account up to the day prior to processing your withdrawal.

Switch faster online

Switches submitted online are processed quicker than paper-based switches.

You should consider this before deciding how and when to switch.

You can switch your investment options anytime by logging in to your online account.

To switch or change your future contributions strategy or rollover strategy

ONLINE

Simply log in to your account and switch online.

INVESTMENT CHOICE FORM

Complete the *Investment choice form* available at unisuper.com.au/forms or by calling us. We must receive your form within 30 days of it being signed.

Return your completed form to UniSuper:

Mail: UniSuper
Level 1, 385 Bourke Street
Melbourne Vic 3000

We can't accept phone instructions.

Tax on investment earnings

Investment earnings of complying superannuation funds are generally taxed in Australia up to 15%. In some cases, this rate may be lower because of any tax deductions and credits UniSuper may qualify for. This tax is deducted from the Fund's investment earnings before they're allocated to your account. If you're in retirement phase, different taxes apply. See the relevant PDS for more information.

Unallocated contributions

You'll start receiving investment returns (positive or negative) once your contributions are allocated to your chosen investment option(s).

In some cases, we'll hold contributions made on your behalf that we're unable to immediately allocate to your account. If this occurs, investment returns (positive or negative) for the investment option(s) you've chosen will be applied from the date on which the contribution was received.

If, while holding these contributions, the return on your investment option(s) were lower than any interest we received, we will retain the difference.

Before you switch

Occasionally, you might consider it appropriate to switch your investment choice in response to changing circumstances or investment time frames. Before you decide to switch, make sure you're doing it for the right reasons.

Simply switching investment options in an effort to chase higher short-term returns could mean that you lose out over time. This is because investment markets are continually changing—by the time you react to one set of market conditions, the market may have already changed again. Super is a long-term investment that's well served by taking a long-term view.

It's important to understand the risks and other implications associated with switching your investment option(s). Please read the UniSuper investment information contained in your UniSuper membership PDS together with this document and call us for help if there's anything you don't understand.

Transferring members

If you've transferred from one UniSuper membership type to another (e.g. DBD to an accumulation account) and haven't provided a new future contributions strategy, any contributions received on or after the transfer date will be invested as per your previous future contributions strategy.

WHEN WE CONSIDER YOUR SWITCH 'RECEIVED'

Online

If you submit your switch via your online account, it's processed quicker because we consider it 'received' as soon as you press the 'Submit' button.

Form

If you submit your switch via a paper form—whether by post, email or a financial adviser—we consider it 'received' once it's been entered into our administration system (rather than when you email it or it's delivered to us by post).

WHEN YOUR SWITCH BECOMES EFFECTIVE

Requests received before 2pm on a Melbourne business day are processed two Melbourne business days later.

Requests received after 2pm on a Melbourne business day are processed three Melbourne business days later.

Requests received on non-business days are regarded as received before 2pm the next Melbourne business day.

A Melbourne business day is any day that is not a weekend or public holiday in the State of Victoria.

Investment returns applied to your account will reflect the crediting rates of your existing investment options up to and including the calendar day prior to processing.

Investment returns include returns up to the close of regular trading hours for global security exchanges for that trading day. For example, for equities traded on the Australian Securities Exchange (ASX), this is 4pm Sydney time and for equities traded on the New York Stock Exchange (NYSE), this is 4pm New York time.

If UniSuper's offices are closed on Melbourne business days (for example, over Christmas) the transaction will take effect in accordance with the above timeframes (as if the offices were open) but won't appear on your account until after UniSuper's offices reopen.

Example 1

Raj submits his switch from the High Growth option into the Balanced option at 11.30am on Monday. His account will continue to earn returns from the High Growth option (positive or negative) until close of business Tuesday.

From close of business Tuesday, the investment returns applied to Raj's account will reflect the earnings of the Balanced option.

Example 2

Ling submits her switch from the Conservative option into the Growth option at 4.00pm on Monday. Her account will continue to earn returns from the Conservative option (positive or negative) until close of business Wednesday.

From close of business Wednesday, the investment returns applied to Ling's account will reflect the earnings of the Growth option.

What if I want to replace the switch I've just made?

If you've submitted a switch online before 2pm on a Melbourne working day, you can replace it with a new online switch before 2pm that same day and the first switch won't get processed. If you've switched online and the 2pm cut-off has passed, you'll need to make a new switch to replace the one you want to cancel.

If you want to replace a switch you first made using a paper Investment choice form, please call us before attempting to replace your switch as:

- your paper-based switch may be in progress (even if it's not yet visible online), and
- the replacement switch you make online may be incorrectly overridden by your original paper-based request.

What is portfolio rebalancing?

Depending on how you invest your accumulation-based product or Flexi Pension, and if you're invested in more than one option, you may need to check and possibly adjust how it's invested from time to time. This process is called rebalancing. By checking your portfolio for such changes, and rebalancing your portfolio (through switching your investment choices), you can ensure your accumulation super remains invested according to your personal financial objectives.

For pension members, it's important to review your drawdown order instructions from time-to-time. This is because drawing payments from your pension will change how your remaining account balance is spread across your chosen investment option(s) and reduce the degree of diversification. Over time, the allocation of your remaining account balance between options may reflect a strategy which is very different from your original intentions. You should reconsider whether this is appropriate based on your financial needs and circumstances.

Information about fees and costs

You'll find detailed information about the fees and costs associated with investing your super in our Fees and costs document, available at unisuper.com.au/pds.

UniSuper Advice

UniSuper Advice is operated by UniSuper Management Pty Ltd, which is licensed to provide financial advice services and deal in financial products. This means you can get financial advice from someone who truly understands UniSuper's products and services.

UniSuper Advice offers scaled personal advice or comprehensive personal advice in areas including superannuation, retirement planning, insurance, non-super investments and accumulating wealth. If you've already received advice, a review service is also available to help you stay on track with your goals.

Our advisers are required to achieve a high standard of relevant education. Nearly all our advisers have tertiary qualifications, many in financial planning or related disciplines, and almost all of our comprehensive advisers have the internationally-recognised CERTIFIED FINANCIAL PLANNER® (CFP®)* certification delivered by the Financial Advice Association Australia (FAAA).

UniSuper Advice operates on a fee-for-service basis. If you request personal advice services, UniSuper Advice will provide you with a quote before you proceed—there's no obligation. UniSuper advisers are salaried employees and don't receive any commissions.

No matter your stage of life, it's never too late to plan your financial future. Contact UniSuper Advice on **1800 823 842** or email advice@unisuper.com.au

* CFP®, CERTIFIED FINANCIAL PLANNER® are certification marks owned outside the U.S. by Financial Planning Standards Board Ltd (FPSB). Financial Advice Association of Australia Limited is the marks licensing authority for the CFP Marks in Australia, through agreement with FPSB.



How we manage your investments

We apply a risk-based assessment to identify material environmental, social and governance (ESG) factors across our major investment holdings including our 50 largest Australian investments. We also offer two pre-mixed sustainable branded investment options and a specialist environmental branded option. These investment options have been certified by the Responsible Investment Association of Australasia (RIAA).

Our approach to responsible investing

We apply a risk-based assessment to identify material environmental, social and governance (ESG) factors across our major investment holdings including our 50 largest Australian investments. We analyse and monitor our major investments (or those investments where we identify a material risk) to understand the ESG opportunities and risks which, in our opinion, are most significant. We select from a range of tools to evaluate an investment from an ESG perspective, which may include insight from our engagement meetings with companies, internal analysis and modelling and/or utilising ESG data and reports through external providers.

As part of this approach, we:

- are an active owner. This means that we seek to exercise all proxy votes for listed Australian and international share holdings, and we regularly actively engage with our 50 largest Australian investments on a range of commercial, strategic and ESG-related matters
- conduct a range of ESG-related activities as part of our day-to-day investment management process. For example, when we're considering an investment, we regularly conduct an ESG risk assessment; when we interview prospective fund managers we assess their ESG capabilities; we regularly review managers' approach to ESG via an ESG survey
- provide for member choice across a range of investment options (excluding the defined benefit division)
- collaborate with peers, other investors and industry groups to ensure appropriate standards are in place regarding ESG at an industry-wide level.

Climate risk

For information on how we manage climate risks and opportunities visit our website unisuper.com.au/responsible-investing.

For more information about our approach visit unisuper.com.au/responsible-investing, you can also find more information on our:

- Responsible investment and proxy voting policy,
- Responsible investment reports (Stewardship statement),
- Modern slavery statement.

We are actively involved in industry wide initiatives focused on helping companies integrate ESG issues into their investment practices and decision-making. For example, we're a signatory to the Principles for Responsible Investment (endorsed by the United Nations), a founding member of the Australian Council of Superannuation Investors, a member of the Investor Group on Climate Change, the Asian Corporate Governance Association and Climate Action 100+.

SECTOR OR INDUSTRY SCREENING

Fund-wide exclusions include:

Tobacco

Companies that are considered to be manufacturers of cigarettes and other tobacco products, as classified by third party providers.

Thermal Coal

Companies with reported revenues greater than 10% deriving from the exploration or production of thermal coal. We may retain an interest in companies that have more than 10% of their reported revenue from coal exploration and production if they're in the process of divesting their thermal coal business. Further information about these screens and their limitations can be found at unisuper.com.au/responsible-investing.

Screen Limitations

We screen companies every six months based on the revenue they report. If the revenue from the sectors with the screens is not disclosed by the company, an estimate of the maximum revenue based on the company's business operations is calculated based on publicly available information. If a company's revenue mix changes in between the six-monthly compliance checks (e.g. due to merger or demerger activities) and then exceeds the permitted revenue thresholds, we seek to identify these changes in our bi-annual review. From time to time, there may be inadvertent inclusion of securities that fall outside our negative screens due to the timing of operational controls.

We regularly screen for these anomalies and seek to exclude securities that fall outside our negative screens once identified. The ability to dispose of a security is dependent on a number of factors including the liquidity of the security in question, for example if it is held in an illiquid unlisted fund. If we acquire an interest in a security as a result of a merger with another fund, the transferred securities will be considered in our bi-annual review and where possible we will seek to exclude these securities.

We may use market benchmark index derivatives, to manage cashflows and to implement tactical asset allocation changes in specific markets or sectors from time to time. When we do this, the returns from those derivatives reflect the performance of every company in the benchmark index which might include some companies which we would not directly invest into because of our fund wide exclusions and negative screens. This is not the same as directly owning those companies and is a consequence of trading derivatives over market benchmarks.

Option screening

For further details of the screens for the sustainable and environmental branded options, please refer to 'Our sustainable and environmental branded options' opposite.

Who manages your investments

Across the Fund, we invest your assets through a combination of both internal and external investment managers. We manage the majority of our investment strategies in-house where we have internal capabilities and where we think external managers have little comparative advantage. We also select external investment managers for their specialist knowledge of particular asset classes, sectors or markets and ESG practices.

Once appointed, investment managers:

- have discretion within the bounds of their specified investment guidelines to invest within their allocated sector or market
- must aim to achieve an agreed performance objective
- are monitored regularly for results and performance, and
- vote on our holdings at AGMs.

Visit unisuper.com.au/investments for more information about our investment managers and how our investments are managed.

Our sustainable and environmental branded options

Sustainability can mean different things to different people. The below outlines what sustainable and environmental investing means to us and what our sustainable and environmental branded options can invest in. For members who want to limit exposure to certain sectors and/or address global environmental challenges, we offer the following investment options:

- Sustainable Balanced
- Sustainable High Growth, and
- Global Environmental Opportunities.

These three investment options invest across a range of asset classes. To identify investments, in addition to the fund wide exclusions, we apply a negative screen to companies and we may apply a positive screen for the Sustainable Balanced and Sustainable High Growth options, see further below for details. We apply a negative screen to companies whose reported revenues have:

- >10% fossil fuel exploration and production
- >5% gambling, alcohol or tobacco
 - >0% production of tobacco, manufacture of nicotine alternatives and tobacco-based products (excluding supply of key products necessary for the manufacture of tobacco or nicotine products)

HOW WE MANAGE YOUR INVESTMENTS

- >1% manufacture and sale of weapons
 - >0% manufacture of whole systems or components developed for exclusive use in controversial weapons such as cluster munitions, anti-personnel mines, depleted uranium weapons, biological or chemical weapons
 - >0% manufacture of whole weapon systems or components developed for exclusive use in nuclear weapons, and
- >10% aggregated revenue from any of the above.

In determining exposures to such sectors, a variety of external information sources are considered, including but not limited to:

- the classification of stocks into such sectors by third party providers,
- the classification of stocks into such sectors by recognised global classification standards,
- assessment by specialist ESG research providers that stocks have material exposure to such sectors, and
- assessment by specialist investment managers that stocks have material exposure to such sectors.

Here's a summary of the things that we apply a negative screen for:

FOSSIL FUELS

Companies with reported revenues greater than 10% deriving from the exploration and production of thermal coal (including lignite, bituminous, anthracite and steam coal), oil and/or gas (including arctic gas, arctic oil, conventional oil and gas, unconventional oil and gas, shale oil, shale gas, oil sands).

WEAPONS

Companies whose reported revenues from weapons exceed 1%. If a company has less than 1% of reported revenue associated with weapons, we consider the nature of the exposure on a case-by-case basis and decide whether to exclude it. For example, we may invest in a company that produces glass instrument screens but not one that produces explosive materials. No companies are included that have reported revenue from the manufacture of whole systems or components developed for exclusive use in controversial weapons such as cluster munitions, anti-personnel mines, depleted uranium weapons, biological or chemical weapons. No companies are included that have reported revenue from the manufacture of whole weapon systems or components developed for exclusive use in nuclear weapons.

GAMBLING

Companies whose reported revenues from gambling exceed 5%, for example a hotel group that owns and operates casinos.

ALCOHOL

Companies whose reported revenues from alcohol exceed 5%.

TOBACCO

Companies with reported revenues from tobacco-related business activities that exceed 5%. No companies are included that have any reported revenue from manufacturers of tobacco, nicotine alternatives and tobacco-based products (excluding supply of key products necessary for the manufacture of tobacco or nicotine products).

Important note

We screen companies every six months based on the revenue they report. If the revenue from the sectors with the screens is not disclosed by the company, an estimate of the maximum revenue based on the company's business operations is calculated based on publicly available information. If a company's revenue mix changes in between the six-monthly compliance checks (e.g. due to merger or demerger activities) and then exceeds the permitted revenue thresholds, we seek to identify these changes in our bi-annual review. From time to time, there may be inadvertent inclusion of securities that fall outside our negative screens due to the timing of operational controls.

We regularly screen for these anomalies and seek to exclude securities that fall outside our negative screens once identified. The ability to dispose of a security is dependent on a number of factors including the liquidity of the security in question, for example if it is held in an illiquid unlisted fund. If we acquire an interest in a security as a result of a merger with another fund, the transferred securities will be considered in our bi annual review and where possible we will seek to exclude these securities.

HUMAN RIGHTS VIOLATIONS

We assess companies that breach the UN Global Compact or have otherwise been found to commit human rights violations. We conduct these reviews periodically and on a case-by-case basis. As we become aware of specific issues we may exclude companies based on our assessment and findings.

OTHER COMPANIES

We may exclude other companies if they're inconsistent with the nature and intent of our investment philosophy and/or screening process.

The assets for the Sustainable High Growth and Sustainable Balanced options are managed using a combination of internal and external management. The assets for the Global Environmental Opportunities option are managed internally. This may change at any time (to a combination of internal and external management or external management only) without prior notice.

Visit unisuper.com.au/investments for more information about our investment managers and how our investments are managed.

RIAA CERTIFICATION

RIAA's RI Certification Symbol signifies that a product or service offers an investment style that takes into account environmental, social, governance or ethical considerations. The Symbol also signifies that UniSuper adheres to the operational and disclosure practices required under the Responsible Investment Certification Program for the category of Product.



The Certification Symbol is a Registered Trademark of the Responsible Investment Association Australasia (RIAA).

Detailed information about RIAA, the Symbol and UniSuper's methodology, performance and stock holdings can be found at www.responsibleinvestments.com.au, together with details about other responsible investment products certified by RIAA.¹

SUSTAINABLE BALANCED AND SUSTAINABLE HIGH GROWTH OPTIONS

The Sustainable Balanced and Sustainable High Growth options seek to apply a responsible investment strategy to the option. The responsible investment strategy seeks to limit exposures to companies with material exposure to alcohol, gambling, weapons,

fossil fuels (exploration and production), and tobacco and/or seeks to include investments with positive attributes (as described below). Third party industry classifications and exposure analysis may be used to assist with categorisation.

The Sustainable Balanced option invests in a mix of asset classes, but actual allocations may deviate from this as explained in the 'Your investment options' section.

The Sustainable High Growth option is a higher risk and less diversified option than the Sustainable Balanced option.

Negative screens

- Negative screens seek to limit exposure to companies with material exposure to tobacco, alcohol, gambling, weapons and fossil fuel exploration and production. They are applied to investments every six months or more frequently when we become aware that an investment falls outside the negative screen. This is in addition to our fund-wide exclusions.

Positive screens

- Any listed company that is rated by the UniSuper internal ESG team and/or the external manager as having quality ESG practices² and/or is aligned with one or more of the UN's Sustainable Development Goals (SDGs).
- Any unlisted investment in real estate, infrastructure or private equity which has been assessed by the UniSuper internal ESG team or rated by a third party provider as having quality ESG practices, evidenced by one or more of the following:
 - Thematically aligned with one or more of the UN's SDGs;
 - Contribute to decarbonisation through sustainable alternatives, commitments to net zero carbon emissions by 2050;
 - ESG, Sustainable and Environmental ratings and certifications (such as, but not limited to, Forest Stewardship Council, Global Real Estate Sustainability Benchmark (GRESB), National Australian Built Environmental Rating Systems (NABERS etc.).
- Fixed interest products (e.g. bonds or credit) which have been rated by the UniSuper internal ESG team as having links to sustainability objectives³ or have a use of proceeds towards sustainability projects.

¹ The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold an Australian Financial Services Licence.

² Having sound governance, quality management, strong business fundamentals with consideration to managing environmental and social risks/challenges. Refer to our *Responsible investment and proxy voting policy* for more information.

³ Contributing to positive environmental and social outcomes. This includes (but is not limited to) contribution to energy savings and energy efficiency, renewable energy projects, and affordable housing.

HOW WE MANAGE YOUR INVESTMENTS

A responsible investment strategy is not applied to instruments like cash or swaps, and they are considered 'neutral'.

We undertake this assessment internally, through our in-house investment team, and externally through specialist investment managers, ESG research providers and index providers.

We consider a range of ESG issues, including:

- environmental factors, e.g. biodiversity impacts, pollution and waste control, natural resource use
- social factors, e.g. human rights, product stewardship, labour practices, workplace diversity, occupational health and safety, supply chain risks, community consultation and engagement
- governance factors, e.g. Board independence, diversity and succession planning, codes of conduct, disclosure and transparency, remuneration.

We will use our holdings to advocate for improved ESG practices and consideration of ESG risk and opportunities.

It's important to be aware that the extent to which ESG issues and risks are taken into consideration—together with the methodology used to take account of ESG issues and risks—will vary between investment managers, and also between companies themselves depending on the nature of their operations.

An assessment of a company's ESG performance is supplemented with investment fundamentals in determining a stock's suitability for inclusion in the Australian or international shares allocations for the Sustainable Balanced and Sustainable High Growth options.

The allocation to Australian shares in the Sustainable Balanced and Sustainable High Growth options may include listed property securities—REITs—to enhance diversification. Stocks will be selected from the S&P/ASX 200 Australian Real Estate Investment Trust (A-REIT) Index, and will be assessed against the screening criteria of the sustainable branded options. The listed entities we invest in are assessed in their own right (refer to page 6) having regard to factors, many unrelated to the real properties they may own. It's important to understand those allocations are different from making an allocation to land or buildings and the returns will be different, reflecting share price movements on listed markets.

These options may also invest in a portfolio which has the same strategy as the Global Environmental Opportunities investment option, in which case the criteria for that option (explained later in this section) will apply instead for that component of the sustainable option.

Important note

UniSuper's investment team reviews the companies it invests in at least every six months to determine whether they meet the investment criteria imposed by various options. Whilst we seek to identify and manage securities that no longer meet the criteria for these options, there are limitations to the collection of data and reporting of these screens, as outlined earlier in this section.

Selecting lower risk assets

The Sustainable Balanced option invests in cash and fixed interest while the Sustainable High Growth option does not.

The Sustainable Balanced option invests in a variety of fixed interest investments including but not limited to investments that aim to contribute to positive environmental and social outcomes, for example, green bonds issued by institutions such as the World Bank and loans to Australian renewable energy projects. The Sustainable Balanced option also invests in cash, Australian federal and state government bonds and some corporate loans which have no ESG rating.

Risk and other factors

When considering investing in the Sustainable Balanced or Sustainable High Growth options, you should keep a number of factors in mind.

These options are less diversified than traditional products due to the screening criteria applied to the options and they also use fewer investment managers than other mainstream options.

Companies included in the sustainable branded investment products require an additional layer of monitoring to ensure they continue to comply with sustainability guidelines. As a result, higher investment management fees may be charged on these products, which would ultimately be deducted from the investment returns for these investment options.

Limiting exposure to certain sectors from the Sustainable Balanced and Sustainable High Growth options means the sector exposure of these options differs from that of the mainstream Balanced and High Growth options. As a result, the performance of the Sustainable Balanced and Sustainable High Growth options may deviate from their mainstream counterparts in the short to medium term. Over the long term, the expected risk and return objectives of the Sustainable Balanced and Sustainable High Growth options are consistent with their mainstream counterparts.

GLOBAL ENVIRONMENTAL OPPORTUNITIES OPTION

The Global Environmental Opportunities option gives you the opportunity to direct your investment towards international companies that provide products and/or services that seek to deliver solutions to environmental challenges and contribute to a more environmentally sustainable economy (as defined by third party providers), including:

- **alternative energy** – products and services that support the transmission, distribution and generation of renewable energy and alternative fuels to reduce carbon and pollutant emissions in supporting affordable and clean energy to combat climate change
- **energy efficiency** – products and services that support the maximisation of productivity in labour, transportation, power, and domestic applications with minimal energy consumption to ensure universal access to affordable, reliable, and modern energy services
- **sustainable water** – products, services, infrastructure projects and technologies that resolve water scarcity and water quality issues, through minimising and monitoring current water demand, improving the quality and availability of water supply to improve resource management in both domestic and industrial use
- **green building** – companies that own, design, construct, redevelop, retrofit properties according to environmental or sustainable standards and certified by third parties, to promote mechanisms for raising capacity for effective climate change mitigation and adaptation
- **pollution prevention** – products, services, infrastructure projects and technologies that reduces volume of waste materials through recycling, minimises introduction of toxic substances, and offers remediation of existing contaminants such as heavy metals and organic pollutants in various environmental media to significantly address pollution in all levels and its negative effects
- **sustainable agriculture** – companies derived revenues from forest and agricultural products that meet environmental and organic certification requirements to address significant biodiversity loss, pollution, land disturbance, and water overuse
- **other** – other products and services that seek to deliver solutions to an environmental sustainable economy.

Selecting assets

To be eligible, in addition to our fund-wide exclusions and negative screens, a company must also meet a positive screen by deriving at least 40% of its reported business revenues from one or more environmental market sectors, such as those mentioned previously.

This option may invest in energy companies which generate revenue from a mix of energy types (for example fossil fuel or renewable energy) provided renewable energy is over 70% of revenue. Companies which qualify for this option do not necessarily have low carbon emissions. Refer to unisuper.com.au/responsible-investing for more information.

Risk and other factors

This option invests in international shares (equities). It's important to be aware this option isn't as diversified across industry sectors as a traditional international shares option.

For example, it's highly unlikely there would be any exposure to companies involved in consumer durables and apparel, media, retailing, healthcare, finance industries and so forth because of the eligibility requirements.

Investment products focusing on companies with significant involvement in environmental technology and environmental business activities have a relatively short and untested record. As a result, the relationship between such an 'environmental' product and that of a traditional counterpart product is not yet clearly established.

Sector investment options are less diversified and aren't intended to be used in isolation, but are intended to be combined with other investment options to build a diversified portfolio.

The Global Environmental Opportunities option has an exposure to approximately 100 companies, compared to the Balanced option which has an exposure to over 1,500 entities, and is less diversified across sectors.

If you choose to only invest in a Sector option, you may be exposed to more risk and may miss out on the benefits of the balance between risk and return offered by a Pre-Mixed option.

General investment risks information

Investment risks that may affect your super

Investment risk is the potential for your super account, or accumulation component for DBD members, to rise or fall as a result of how it's invested. Therefore, if you have a super account or accumulation component, the amount of your final benefit when it comes time to withdraw it from the Fund, may be less than the total contributions made into your account. In other words, your final benefit may be less than you need to achieve your desired lifestyle in retirement. Or, if you have a pension, your pension account balance may reduce.

We offer a range of investment options that give you the flexibility to invest your super according to the level of investment risk you're comfortable with. While each investment option involves some level of risk, some involve higher levels than others. As a general rule, investments that offer higher returns tend to be higher risk, while those that offer lower returns tend to be lower risk.

The range of risks relating to particular types of investments are set out in this section. The impact of these risks may be short-term or long-term, depending on the particular conditions and circumstances.

SPECIFIC INVESTMENT (OR SECURITY) RISK

There is a risk that a specific investment held in an investment option may experience negative returns and lose money, or may fail to perform in line with expectations.

INVESTMENT MANAGER RISK

There is a risk that we, or an external investment manager we appoint to manage certain investments, may underperform the general market, or may fail to perform in line with expectations, for example due to our or their investment management styles or management decisions.

MARKET RISK

There is a risk that a specific investment market (for example the share market or the fixed interest market), may not perform well and diminish the value of the investments held in those markets. Factors such as interest rates and inflation, as well as government policy and economics, can all influence market risk.

COUNTRY RISK

There is a risk that investment options that hold securities from an individual country may not perform well as a result of economic or political pressures specific to that country, and the investment options may underperform as a result.

CURRENCY RISK

There is a risk that your investment may lose value due to the change in price of one currency relative to another. For example, if the investment option contains investments denominated in US dollars and the Australian dollar rises against the US dollar, the value of those US investments may fall when calculated in Australian dollar terms.

UniSuper may, from time to time, hedge some or all of the Fund's foreign currency exposures but will not necessarily do so at all times. Different currencies may be hedged to different extents (or possibly not at all).

ENVIRONMENTAL, SOCIAL AND GOVERNANCE RISK

There is a risk that a company is not appropriately managing its environmental, social and governance (ESG) risks, which may result in specific investments, markets or countries failing to perform in line with expectations.

CLIMATE RISK

There is a risk that increasing global temperatures, or the global response to mitigate and/or minimise temperature rise, may cause specific investments, markets or countries to fail to perform in line with expectations.

CREDIT RISK

There is a risk that an organisation we deal with fails to meet its obligations and causes an investment option to incur a financial loss. This may be caused by a counterparty to an investment transaction defaulting on a due interest payment or return of capital.

LIQUIDITY RISK

There is a risk that a particular asset cannot be easily converted into cash at a particular time, leading to a delay and resulting loss when the asset is eventually sold.

DERIVATIVES RISK

UniSuper and some of its external investment managers use derivatives to gain exposure to certain types of investments or to hedge risks, as considered appropriate.

Importantly, UniSuper doesn't use derivatives to leverage the Fund's assets.

With derivatives, there's a risk that the value of the derivative will fail to move in line with the value of the underlying asset, or that the obligation under the derivative contract held by another party won't be honoured.

Managing investment risk

While risk is an inevitable part of investing, it's possible to manage investment risk and therefore moderate its impact on your investments. Two strategies for managing such risks are:

- Diversification—spreading your money across a number of different investments, rather than a few or even a single investment, and
- Investing according to your timeframe—choosing investments that are expected to be best suited to the length of time you intend to hold those investments.

When it comes to deciding how you want your super, accumulation component (for DBD members) to be invested, we have a wide range of investment options to choose from. All of these options offer a diversified selection of investments, some within specific asset classes and some across a range of different asset classes.

In addition, for super, we generally encourage you to take a long-term view. You should consider your individual circumstances when deciding how to manage investment risk.

You may decide to seek professional financial advice to help you assess your investment risk tolerance and approach.

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