

GROW
2021
ANNUAL REPORT



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ABOUT THIS ANNUAL REPORT

This Annual Report is for Members of GROW Super, a sub plan of OneSuper ABN 71 603 157 863, APRA Registrable Superannuation Entity No R1001587, referred to in this Annual Report as the Fund. This Annual Report has been issued by Diversa Trustees Limited (the Trustee or Diversa Trustees or We) ABN 49 006 421 638, AFSL 235153 RSE Licence L0000635 as Trustee of OneSuper. The Sponsor and Promoter of OneSuper is OneVue Wealth Services Ltd ABN 70 120 380 627 AFSL 308868.

This Annual Report forms Part 2 of the annual periodic information. Your Annual Members Statement forms Part 1 of the annual periodic information and should be read in conjunction with this Annual Report.

The information in this document is intended to provide you with general information only and does not take into account, one or more of your personal objectives, financial situation and needs. Before making any financial decisions about GROW Super, it is important that you consider the current product disclosure statement (PDS) relevant to your Membership and consider your particular circumstances and whether the particular financial product is right for you. The current PDS for the product is available on <http://onesuper.com/funds/grow>. You should consult a financial adviser if you require personal advice.

Welcome to the Annual Report ■

Dear Member,

It's been a further year since COVID-19 changed the way we view the world, and how we live.

We continue to have a lot of questions, regarding our safety, how long it will take for the world to recover, are the changes we have experienced a long term trend, will we bounce back economically, as well as many others. We have also along the way come to terms with a different way of working and living, with major disruption a fact of life for many.

While investment growth assets performed strongly over the course of the 2021 financial year, one of the biggest questions on our mind as Promoter is the continued effects on the Australian economy in the future, and our Members' superannuation, in particular on returns over the coming five to ten years. While businesses have adapted, and now open to customers, there have been continued economic contractions, through lockdowns, with specific sectors being more adversely affected than others.

The Asset Consultant to the Fund, Mercer Investments (Australia) Limited has commented that investor sentiment remains positive for the financial year ahead, and is optimistic on the global growth outlook.

Your super continues to be invested with the long-term in mind, with the focus on sustainable returns to provide for our Members through your superannuation journey. We continue to work on building our Members' superannuation and provide you with an enhanced superannuation vehicle to fund your superannuation and retirement income.

Superannuation rules are complication and often changing. In 2021 OneSuper has launched an education hub with professionally written material on money management, mindfulness and mastery, as well as on superannuation, and investment. Watch out for further message notifications in your email or go to <https://onesuper.com/funds/grow/> and scroll down to the 'Education Hub'.

We would like to thank you for your ongoing support and we look forward to the next 12 months together. Importantly, we would also like to thank those who have worked tirelessly this year to protect the lives of so many.

Brett Marsh

On behalf of the Promoter OneSuper and Grow Super
OneVue Wealth Services Ltd and GROW Super AFSL CO Pty Ltd

Trustee Governance ■

The Trustee of the Fund is Diversa Trustees Limited (Diversa Trustees, Trustee) and is responsible for the ongoing management of the Fund. As Trustee, Diversa Trustees employ specialist providers to help look after the Fund and its investments which are outlined in the 'Directory' section at the end of this Annual Report.

As Trustee, Diversa Trustees aims to ensure that all legal and compliance obligations are properly met. It is responsible for compliance with the Trust Deed of the Fund, including ongoing satisfaction of legislative requirements, and monitoring of risk controls as specified in its' risk management framework. In summary, the Trustee's role generally incorporates:

- fund registration,
- issue of disclosure documents,
- compliance monitoring against legislative and regulatory requirements, and
- risk management.

Further information on Trustee Governance policies can be found at www.diversa.com.au/trustee/governance.

The names of the Directors of the Trustee as of 30 June 2021 are as follows:

- Michael Terlet (Chair),
- Vincent Plant,
- Andrew Peterson,
- Fiona McNabb, and
- Ron Beard

NOTES:

Retirements:

- Murray Jones retired as a Director on 16 February 2021
- Robyn Fitzroy retired as a Director on 16 February 2021
- Vincent Plant retired as Chair on 16 February 2021 however remains a Director

Appointments:

- Michael Terlet was appointed as Chair on 16 February 2021
- Ron Beard was appointed as a Director on 16 February 2021

REMUNERATION

The directors of the Board did not receive and are not due any remuneration from the Fund in connection with the management of the Fund. Directors fees are paid by Diversa Trustees Limited.

BOARD COMMITTEES

The Board of the Trustee is committed to strong principles of corporate governance, including continuous improvement of its performance and processes.

The following committees assist the Board, which in some cases involves engagement of external experts:

- Investment Committee, and
- Audit, Compliance, Risk and Remuneration Committee.

No penalties were imposed this year on any responsible person under Section 38A of the Superannuation Industry (Supervision) Act 1993.

PROFESSIONAL INDEMNITY INSURANCE

Diversa Trustees has professional indemnity insurance to protect the Trustee, its directors and the Fund against certain losses or liabilities. The indemnity insurance cover is subject to the terms and conditions of the relevant policy and complies with the requirements of Section 912B of the Corporations Act 2001.

THE TRUST DEED

The governing rules of the Fund are set out in the OneSuper Trust Deed. The Board has some powers to alter the Trust Deed. A copy of the Fund Trust Deed can be found online at <https://onesuper.com>.

COMPLIANCE

Grow Super is regulated by and complies with the Superannuation Industry (Supervision) Act (1993) (SIS Act). The Fund lodges a return with APRA every year and has not received a notice of non-compliance from APRA. No penalties have been imposed in respect of the Fund under the relevant superannuation legislation.

INTERNAL AUDITOR

The Trustee has appointed RSM Australia Pty Ltd, ABN 33 009 321 377 as the internal auditor of the Fund, to analyse and improve the controls and performance of the Fund. RSM Australia Pty Ltd can be contacted by writing to RSM Australia Pty Ltd, GPO Box 5138 NSW 2001. The Trustee may change internal auditors from time to time.



The 2021 financial year was dominated by the rebound in growth markets predominately from central bank and government stimulus following the initial hit of the global COVID pandemic.

Asset class returns for the period are as follows: Asset Class	Return*
Cash	0.1%
Australian Bonds	-1.9%
International Bonds (hedged)	-1.6%
Australian Shares	28.5%
Australian Property Securities	33.9%
International Shares (hedged)	35.8%
International Shares (unhedged)	27.5%
Emerging Share Markets (unhedged)	29.2%

*Capital and Income | Data source: Thomson Reuters DataStream and MSCI

Growth assets performed very strongly over the course of the 2021 financial year as elevated levels of economic uncertainty was more than countered by ongoing central bank and government support. On the contrary, fixed interest assets did not perform well. With the prospect of a broadening global economic recovery and some concerns about rising inflation, bond yields started to rise from very depressed levels, leading to negative returns over the year.

The 2021 financial year began with a significant portion of the global economy in lockdown in an effort to mitigate the spread of COVID-19. Despite the uncertain outlook, risk assets benefitted from the unprecedented levels of fiscal and monetary stimulus put in place by governments and central banks to limit the fallout from the pandemic shut down and support the economic recovery. Some markets had started to show early signs of recovery through the September quarter, however growth assets were still suffering the after effects of the initial crisis and lockdowns.

The development and approval for use of multiple vaccines in November and December fuelled investor sentiment and, combined with record low interest rates, contributed to a significant rally in equity markets and an uplift in asset valuations. The resolution of negotiations to facilitate Britain's exit from the European Union removed a further source of uncertainty for investment markets. Investor sentiment was also encouraged by the US presidential election results and the perceived political and economic stability of a Biden government.

Whilst the rollout of COVID vaccines has not been without delays, developed markets have made significant progress. The emergence of new strains have at times caused the re-imposition of restrictions, however, these are expected to become less frequent. As COVID restrictions continue to lift at different rates around the globe, economies are poised to rebound sharply and the global economic outlook remains positive.

Fiscal and monetary conditions remain extremely accommodative causing investors to focus on the potential for elevated inflation. The US Federal Reserve has begun to discuss plans to scale back relief programs and potential tapering of their quantitative easing program. The Reserve Bank of Australia has maintained an accommodative stance and a rise in cash rates is not expected in the near future. Governments have also continued to maintain meaningful spending programs to reduce the downside risks of economic growth by providing cash and credit lines to both businesses and consumers.

Broadly, investor sentiment remains positive for the financial year ahead. We remain optimistic on the global growth outlook. For companies, this means strong earnings growth over at least the next couple of years. In an environment of strong economic growth, a rebound in corporate earnings and increased inflation risk, equities are expected to continue to perform well. However, this does leave some scope for rising interest rates, albeit very modest, which does not bode particularly well for defensive asset returns.

Data source: Mercer Market insights July 2021.

Vincent Parrott | Senior Investment Consultant, Mercer

Disclaimer

The content of this article has been prepared by Mercer Investments (Australia) Limited, ABN 66 008 612 397 (Appointed by the Trustee as Asset Consultant to the Fund). The information contained in this article is general in nature and does not take into account your personal situation. You should consider whether the information is appropriate to your needs, and where appropriate, seek professional advice from a financial adviser.

Investment Options ■

The tables following contain information regarding the investment options of the GROW Super for the year ended 30 June 2021. Details of investment options shown are not a guarantee of any particular benefit or return. The investment option objectives are used by the Trustee to measure the performance of the Fund's investments.

GROW Super as at 30 June 2020

Multi asset class investment options	GROW MySuper	GROW 30
Who is this investment option designed for?	Members who seek exposure to mainly growth assets and can tolerate a high level of risk over ten years. This option invests mainly in growth assets across most asset classes.	Members who prefer a low risk diversified investment option and are willing to accept some account balance fluctuation over the short term. With a strong focus on stability rather than growth, this portfolio will have a higher weighting towards fixed interest and cash.
Investment return objective	CPI +2.5% p.a.	CPI +1.0% p.a. over rolling 3 years
Minimum suggested investment time frame	10 year	3 years
Standard risk measure band	6	4
Standard risk measure ²	High	Medium to High
Investment option asset allocation range	Cash 2 - 15% Fixed interest 5 - 20% Global fixed income 8 - 25% Australian equities 17.5 - 45% International equities 22.5 - 50%	Cash 0 - 5% Fixed interest 65 - 75% Australian equities 8 - 14% International equities 13 - 22% Property 1 - 4% 0 %
Defensive vs growth asset allocation range	Defensive 15 - 60% Growth 40 - 85%	Defensive 65 - 75% Growth 25 - 35%

Multi asset class investment options	GROW 40	GROW 50
Who is this investment option designed for?	Members who are comfortable with a moderate amount of volatility but want most of their balance exposed to defensive assets. With a higher allocation to fixed interest and cash, the Fund is designed to reduce volatility through fixed interest exposure whilst achieving medium term growth. Members will likely experience some account balance fluctuation over the short to medium term due to the high exposure to growth assets than the capital stable fund.	For Members with a time horizon of 3-5 years who are comfortable with an equal mix of growth and defensive assets This portfolio may suit Members who can accept that returns may be negative in some years however expect that over the long term, the portfolio will generate capital growth above inflation.
Investment return objective	CPI +1.5% p.a. over rolling 4 years	CPI +2.0% p.a. over rolling 4 years
Minimum suggested investment time frame	3 - 5 years	3 - 5 years
Standard risk measure band	4	5
Standard risk measure ²	Medium to High	Medium to High
Investment option asset allocation range	Cash 0 – 5% Fixed interest 55 – 65% Australian equities 10 – 18% International equities 17 – 29% Property 1 – 5%	Cash 0 - 5% Fixed interest 45 – 55% Australian equities 13 – 23% International equities 21 – 36% Property 1 – 6
Defensive vs growth asset allocation range	Defensive 55 - 65% Growth 35 - 45%	Defensive 45 - 55% Growth 45 - 55%

Multi asset class investment options	GROW 60	GROW 70
Who is this investment option designed for?	For Members with a longer time horizon of at least 5-7 years who are comfortable with slightly higher exposure to growth than defensive assets. The portfolio is expected to have short term fluctuations whilst producing capital growth over medium-long term.	This option is growth orientated and better suited for long-term investors who accept some investment risk over the long term. With an investment split of 30% defensive and 70% growth, the defensive exposure should dampen the short- term fluctuations in value. Overall the portfolio will have a high exposure to shares and property to assist with providing long- term capital growth.
Investment return objective	CPI +2.75% p.a. over rolling 6 years	CPI +3.0% p.a. over rolling 46years
Minimum suggested investment time frame	5 - 7 years	5 - 7 years
Standard risk measure band	6	6
Standard risk measure ²	Medium to High	Medium to High
Investment option asset allocation range	Cash 0 – 5% Fixed interest 35 – 45% Australian equities 16 – 28% International equities 25 – 43% Property 1 – 7%	Cash 0 - 5% Fixed interest 25 – 35% Australian equities 18 – 32% International equities 29 – 50% Property 1 – 8%
Defensive vs growth asset allocation range	Defensive 35 - 45% Growth 55 - 65%	Defensive 25 - 35% Growth 65 - 75%

Multi asset class investment options	GROW 80	GROW 100
Who is this investment option designed for?	For Members who have a strong focus on maximising capital growth over the long-term. Members may expect high short term fluctuations in value and a higher chance of capital loss. Members who select this portfolio should be comfortable with higher risk as a trade-off for achieving their long-term investment objectives.	For Members who want no exposure to income/defensive assets. With a strong focus on maximising capital growth over the long-term it is like that investors may experience high short term fluctuation in value and higher chance of capital loss. Members who select this portfolio are willing to accept this higher risk as a trade-off for achieving their long-term investment objectives
Investment return objective	CPI +3.5% p.a. over rolling 6 years	CPI +4.0% p.a. over rolling 6 years
Minimum suggested investment time frame	7 – 10 years	10 years
Standard risk measure band	6	6
Standard risk measure ²	High	Very High
Investment option asset allocation range	Cash 0 – 5% Fixed interest 15 – 25% Australian equities 21 – 37% International equities 34 – 58% Property 2 – 10%	Cash 0 - 5% Australian equities 26 – 46% International equities 42 – 72% Property 2 – 12%
Defensive vs growth asset allocation range	Defensive 15 - 25% Growth 75 - 85%	Defensive 0 - 5% Growth 95 - 100%

Multi asset class investment options	GROW Industrial Tech	GROW Future Internet
Who is this investment option designed for?	For Members seeking long term returns from a concentrated portfolio of equities made of mainly medium to large companies trading on leading global stock markets. Members need to accept the risk of fluctuations in the value of their investment and that capital preservation is not guaranteed, particularly during periods shorter than the stated minimum investment horizon.	For Members seeking long term returns from a concentrated portfolio of equities made of mainly medium to large companies trading on leading global stock markets. Members need to accept the risk of fluctuations in the value of their investment and that capital preservation is not guaranteed, particularly during periods shorter than the stated minimum investment horizon.
Investment return objective	CPI +4.0% p.a. over rolling 10 years	CPI +4.0% p.a. over rolling 10 years
Minimum suggested investment time frame	10 years	10 years
Standard risk measure band	6	6
Standard risk measure ²	Very High	Very High
Investment option asset allocation range	Cash 0 - 5% International equities 95 – 100%	Cash 0 - 5% International equities 95 - 100%
Defensive vs growth asset allocation range	Defensive 0 - 5% Growth 95 - 100%	Defensive 0 - 5% Growth 95 - 100%

Multi asset class investment options	GROW Global Sustainability	GROW Green Energy	GROW Global Property
Who is this investment option designed for?	For Members seeking long term returns from a portfolio of equities made of large companies trading on leading global stock markets. Members need to accept the risk of fluctuations in the value of their investment and that capital preservation is not guaranteed, particularly during periods shorter than the stated minimum investment horizon.	For Members seeking long term returns from a concentrated portfolio of equities made of mainly medium to large companies trading on leading global stock markets. Members need to accept the risk of fluctuations in the value of their investment and that capital preservation is not guaranteed, particularly during periods shorter than the stated minimum investment horizon.	For Members seeking long term returns from a concentrated portfolio of equities made of mainly medium to large companies trading on leading global stock markets.
Investment return objective	CPI +4.0% p.a. over rolling 10 years	CPI +4.0% p.a. over rolling 10 years	CPI +3.0% p.a. over rolling 10 years
Minimum suggested investment time frame	7-10 years	10 years	7-10 years
Standard risk measure band	6	6	6
Standard risk measure ²	Very High	Very High	High
Investment option asset allocation range	Cash 0 - 5% International equities 95 – 100%	Cash 0 - 5% Australian equities 0 – 10% International equities 95 - 100%	Cash 0 – 5% Property 95 – 100%
Defensive vs growth asset allocation range	Defensive 0 - 5% Growth 95 - 100%	Defensive 0 - 5% Growth 95 - 100%	Defensive 0 - 5% Growth 95 - 100%

Investment Asset Allocation ■

The following tables provide information on the portfolio asset allocation for all of the GROW Super Accumulation pooled investment options as at 30 June 2021.

Asset Class	Investment Options							
	Grow MySuper %	GROW 30 %	GROW 40 %	GROW 50 %	GROW 60 %	GROW 70 %	GROW 80 %	GROW 100 %
Cash	8.37	0.42	0.95	0.62	1.90	2.61	3.60	0.42
Australian Fixed Income	8.77	12.39	10.06	7.85	6.93	4.07	3.21	0.00
Global Fixed Income	12.6	49.37	39.0	31.8	27.8	16.23	12.58	0.00
Australia Equities	29.25	14.37	18.66	22.86	24.28	29.29	30.63	37.84
International Equities	33.14	20.80	27.00	33.8	35.4	42.40	44.33	54.77
Global Property	7.80	2.65	3.44	4.21	4.47	5.40	5.64	6.97
Global Infrastructure	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Alternatives	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

GROW Super Accumulation Pooled Investment Options

Asset Class	Investment Options				
	GROW Industrial Tech %	GROW Future Internet %	GROW Global Sustainability %	GROW Green Energy %	GROW Global Property %
Cash	1.74	1.17	1.86	2.07	2.26
Australian Fixed Income	0.00	0.00	0.00	0.00	0.00
Global Fixed Income	0.00	0.00	0.00	0.00	0.00
Australia Equities	0.00	0.00	0.00	0.00	0.00
International Equities	98.26	98.83	98.14	97.93	0.00
Global Property	0.00	0.00	0.00	0.00	97.74
Global Infrastructure	0.00	0.00	0.00	0.00	0.00
Alternatives	0.00	0.00	0.00	0.00	0.00
Total	100.00	100.00	100.00	100.00	100.00

NOTES: Standard risk measure guidance: The standard risk measure is based on industry guidance to allow you to compare investment options that are expected to deliver a similar number of negative annual returns over any 2 year period. The standard risk measure is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than a customer may require to meet their objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return. Customers should still ensure they are comfortable with the risks and potential losses associated with their chosen investment option(s).

Further information regarding the Fund's investment options for Accumulation and Pension members is available in the current PDS and Guides relevant to your membership in the Fund. These documents are available from the Fund's website www.onesuper.com/funds/grow/ or by contacting us (Refer to the Directory on the back page for details). You should consider the most up to date PDS and Guides where applicable, Annual Report and any Significant Event Notices provided to you when choosing an investment option.

DERIVATIVES

The Trustee does not enter into any derivatives contracts on its own account. However, external managers may use derivatives instruments and hedging procedures to protect an investment from adverse movements in the investment market, but may not gear the investment ('Gearing' is a measure of borrowing against assets or borrowing to fund investments). The Fund holds no derivatives.

Investment Performance ■

A superannuation funds investment performance typically varies over time. Because superannuation is a long term investment, longer term returns (such as 5 and 10 year investment returns) smooth out short term results. Depending on the nature of each investment option (including its risk profile), an investment option may experience negative returns from time to time and it is generally not appropriate to assess the performance of an investment option by the return for a single year or other short term periods.

Actual returns will be determined by the investment strategy adopted and prevailing market conditions. The Fund's monthly investment performance information is also made available on the funds website or via the Secure Online Portal. Information on investment performance relating to your Account specifically is provided in your Annual Member Statement for the financial year ended 30 June 2021.

MAP SUPER - ACCUMULATION AND PENSION RETURNS (%)¹

Investment Option	1 year %	3 years %	5 years %	10 years %	Since inception % ²
Passive Growth MySuper	17.39	8.27	7.76	N/A	7.04
Investment Objective (RBA Cash Rate)	6.5	4.18	4.31	N/A	4.18
GROW 30 ³	8.69	5.07	N/A	N/A	4.60
Investment Objective (CPI + 0.5%)	4.85	2.68	N/A	N/A	2.78
GROW 40 ³	11.71	5.61	N/A	N/A	5.05
Investment Objective (CPI + 1.5%)	5.35	3.18	N/A	N/A	3.28
GROW 50 ³	14.32	6.22	N/A	N/A	5.98
Investment Objective (CPI + 2.5%)	5.85	3.68	N/A	N/A	3.78
GROW 60 ³	16.74	6.57	N/A	N/A	6.08
Investment Objective (CPI + 3.5%)	6.60	4.43	N/A	N/A	4..53
GROW 70 ³	20.42	7.59	N/A	N/A	7.51
Investment Objective (S&P/ASX 300 Accumulation Index)	6.85	4.68	N/A	N/A	4.78
GROW 80 ³	23.06	7.76	N/A	N/A	7.48

Investment Option	1 year %	3 years %	5 years %	10 years %	Since inception % ²
Investment Objective (MSCI World (ex Aust) Index in \$A)	7.35	5.18	N/A	N/A	5.28
GROW 100 ³	29.65	9.12	N/A	N/A	9.07
Investment Objective (RBA Cash Rate)	7.85	5.68	N/A	N/A	5.78
GROW Industrial Tech ³	69.33	34.13	N/A	N/A	30.94
Investment Objective (CPI + 0.5%)	7.85	5.68	N/A	N/A	5.78
GROW Future Internet ³	71.47	43.92	N/A	N/A	45.75
Investment Objective (CPI + 1.5%)	7.85	5.68	N/A	N/A	5.78
GROW Global Sustainability ³	28.84	14.95	N/A	N/A	13.91
Investment Objective (CPI + 2.5%)	7.85	5.68	N/A	N/A	5.78
GROW Green Energy ³	67.91	35.56	N/A	N/A	26.97
Investment Objective (CPI + 3.5%)	7.85	5.68	N/A	N/A	5.78
GROW Global Property ³	18.51	8.09	N/A	N/A	7.69
Investment Objective (MSCI World (ex Aust) Index in \$A)	6.85	4.68	N/A	N/A	4.78

NOTES:

1. Returns are based on actual investment options, and are net of all investment fees, costs and taxes. Returns shown for 1 year periods or longer are annualised amounts. Past performance should not be relied upon as an indication of future returns.
2. When the 5 or 10-year compound return is unable to be determined, the since inception return is provided.
3. All GROW Super Investment Options commenced on 12 May 2017. The OneSuper Passive Growth (GROW MySuper) Investment Option commenced on 1 January 2014.

Neither past performance nor volatility is a reliable indicator of what may happen in the future. Neither capital nor returns are guaranteed. Past performance is calculated net of investment fees and taxes, excludes fees charged to Member Accounts directly, and does not take into account inflation.

Investment Managers ■

The assets of the Fund are invested in a range of investment funds or products. The table below provides information regarding the Fund's total holdings in the investment funds or products of the underlying fund managers managed the investment funds or products in which assets of MAP Super were invested as at 30 June 2021.

Underlying Fund Managers - Products	2020	2021
DFA Australia Limited (Dimensional)	23,851	30,647
ARK Investment Management LLC (ARK)	2,435	2,875
iShares S&P Global Clean Energy Index Fund	888	1,238

NOTES: the underlying fund managers utilised by the Trustee for investment of the Fund's assets may be changed from time to time at the absolute discretion of the Trustee. They are shown in this report to provide historical information about the investments of the Fund during the year. You have no ability to choose the underlying fund managers utilised by the Trustee.

CONCENTRATION OF ASSETS

As at 30 June 2021, the following combination of underlying investments exceeded 5% of the total assets of MAP Super:

Investment Manager	2020 (%)	2021 (%)
DFA Australia Limited (Dimensional)	91.33	90.97
ARK Investment Management LLC (ARK)	6.35	6.31

OTHER CONSIDERATIONS

Labour standards, environmental, social or ethical considerations are not taken into account in making investment decisions or selecting underlying investment managers or investment funds.

This update was compiled and is current as at October 2021 and is subject to change. For up to date information relating to taxation of superannuation, go to ato.gov.au or contact the Fund.

REGULATORY CHANGE

Duty To Take Reasonable Care (DTTRC)

The Insurance Contracts Act has been amended so that the Duty of disclosure is being replaced by the Duty To Take Reasonable Care (DTTRC). A Significant Event Notice (SEN) was issued to all fund members for the Duty of Disclosure changes coming in on 1 October, 2021. The SEN will also be provided to members with their 2021 Annual Member Statement.

In addition to the required SEN, the Fund's Insurance Guide where the current Duty of disclosure is described has been updated with the DTTRC wording. This included the Funds Insurance Guide, and forms.

The duty to take reasonable care

From 1 October 2021, the 'Duty of Disclosure is being replaced with the 'Duty To Take Reasonable Care not to make a misrepresentation'. A misrepresentation could be made if an answer is given that is false, only partially true, or that does not fairly reflect the truth.

The duty requires members to respond fully, honestly and accurately at all times. It will apply any time a member answers questions in an initial insurance application, an application to extend or make changes to existing insurance, or an application to reinstate insurance.

Design and Distribution Obligations (DDO) Reform

The Design and Distribution Obligations (DDO) reform which commenced on 5 October 2021 is one of the most significant changes to regulation in the financial services industry in recent times. It requires, among other regulations that the Fund makes and provides a Target Market Determination (TMD) for each product covered by the reform.

What is a TMD and when is it required?

A TMD is a written document that describes the characteristics of a class of consumers that a financial product has been designed for. The TMD sets out how the product, and its key attributes meet the likely objectives, financial situation and needs of the class of consumers. A TMD must contain certain information, which can be broken down into Content and Appropriateness requirements. Additionally, the TMD will contain Distribution Conditions. A TMD cannot be a simple restatement of the content of the Product Disclosure Statement (PDS) or other disclosure documents (i.e. the Additional Information Booklet or Insurance Guides).

From 5 October, 2021, a product cannot be distributed to retail consumers without a valid TMD in place. As new products are issued or new features are added a TMD will need to be created or reviewed. Products for which a PDS must be prepared such as interests in a superannuation fund, or a managed investment scheme require a TMD to be provided.

The TMDs for your Fund can be found at onesuper.com/funds/.

CONTRIBUTING AND TOPPING UP YOUR SUPER

Contributions Caps

There are limits to the amounts of contributions you are able to make to your super each financial year in order to be taxed at lower rates. These limits are called contribution caps. The cap amount and how much tax you need to pay depends on your age, the financial year that the contribution relates to and whether the contributions are concessional (before-tax) or non-concessional (after-tax) contributions.

Caps for the upcoming financial year	2021	2022
Super Guarantee (SG) contributions	9.5%	10%
Concessional contributions cap	\$25,000	\$27,500
Non-concessional contribution cap	\$100,000	\$110,000
Super Co-Contributions (lower Income Threshold \$37,000, Higher Income Threshold \$56,112)	Max. \$500	Max. \$500
Low income super tax offset (LISTO) Adjusted taxable income up to \$37,000 (based on Concessional contributions made to the Fund)	Max. \$500	Max. \$500
Transfer Balance Cap	\$1,600,000	\$1,700,000
CGT cap	\$1,600,000	\$1,615,000
Low rate cap	\$215,000	\$225,000
Minimum annual pension amount continues to be halved as in 2021	2.0%	Under age 65
	2.5%	Age 65 – 74
	3.0%	Age 75 – 79
	3.5%	Age 80 – 84
	4.5%	Age 85 – 89
	5.5%	Age 90 – 94
	7.5%	Age 95 or more

CARRY FORWARD ARRANGEMENTS

Concessional cap – Carry forward arrangements

Since 1 July 2019, you have been able to carry forward an unused amount and increase your concessional contributions cap, but only if you had a total super balance of less than \$500,000 at the end of 30 June in the previous year.

Unused amounts of your concessional contributions cap are available to you for a maximum of five years, and will expire after this if not used.

Non Concessional contribution cap – Bring Forward arrangements

Since the 2021 financial year, you have been able to extend the non-concessional cap bring-forward rule up to the age of 67. You may be able to make non-concessional contributions up to three times the annual non-concessional contributions cap in a single year in any one three-year-period.

That is, up until 30 June 2021, you can contribute up to \$300,000 in any one three-year period, depending on your total superannuation balance. From 1 July 2021, this increased to \$110,000 p.a. or under the Bring Forward arrangements, up to \$330,000 in any one, three year period, as long as your total superannuation balance remains under the Transfer Balance Cap. This means, that when you make contributions greater than the annual cap (noted above), you automatically gain access to future year caps. You can then make further non-concessional contributions after the end of that three-year period, up to your non-concessional contribution cap, provided your total superannuation balance continues to be less than the Transfer Balance Cap.

Further information including eligibility criteria can be found in the Super caps, rates and thresholds factsheet available on the Funds Secure Online Portal. Contribution caps may change from time to time. Refer to <https://www.ato.gov.au/individuals/super/in-detail/growing-your-super/> for up to date information

COVID-19 UPDATE

The initiative under the coronavirus Economic Response Package Omnibus Bill 2021 enabling early release from super payments from member accounts ceased on 31 December 2020. Many members experiencing financial difficulties were able to take advantage of the ability to apply for an early release from super of up to \$10,000 from 1 April until 30 June 2020, plus an additional amount of \$10,000 between 1 July and 31 December 2020 from their member Account

Amounts paid from a members super Account were tax free, did not affect Centrelink or Veteran's Affairs payments, were treated as non-assessable non-exempt income, were not be counted as income and were not considered under any income or means test.

In addition, members who satisfied a financial hardship or compassionate condition of release could still apply for these in addition to the early release of super.

In addition, members who satisfied a financial hardship or compassionate condition of release could still apply for these in addition to the early release of super.

Changes to superannuation drawdowns were extended to apply to the 2021/21 financial year, with a further extension for the 2021/22 financial year announced by the Federal Government in early June 2021, with pension payments minimum amounts halved for:

- Account based annuities and pensions including transition to retirement income streams,
- Allocated annuities and pensions,
- Market-linked annuities and pensions also known as term allocated pensions.

Options provided included:

- submit new instructions to vary pension drawdown amounts, or to
- continue on as normal.

If the Fund did not receive any new instructions from you to amend pension payments, the Trustees' default position has been for the administrator to continue to drawdown at the pre-existing level held at the end of the 2020/21 financial year. This meant, the new pension minimums continued to apply for the 2021/22 financial year.

Transition to Retirement Pensions are a form of an account-based pension, and have both minimum and maximum payments to consider when opting in and lodging a superannuation drawdown.

To halve or minimise your pension income stream, you needed to 'opt in' and provide a new pension payment instruction. This could be done by:

- Forwarding in a letter request by email, ensuring it is clear what you are asking for,
- For certain digital super funds, completing an amendment to the pension payment, or
- Forwarding in a completed and signed pension payment request form.

Further information on both Superannuation Drawdowns can be found at ato.gov.au/super. note that other fees might still apply.

INACTIVE ACCOUNTS AND TYPES OF UNCLAIMED SUPER

Treatment of inactive low-balance super Accounts

Superannuation legislation requires the Trustee of the fund to transfer information and superannuation benefits to the Australian Taxation Office (ATO) when member benefits are classified as Unclaimed Super. On receipt, the ATO will try to match said account with any active super account there is a record of you holding.

The exception to this is where you have provided a written notice to the ATO declaring that you are not a member of an inactive low balance account. If this applies to you, you can authorise the Fund to provide the written notice to the ATO on your behalf. The notice must be provided to the commissioner of Taxation on or before the relevant due date for the payment to the ATO.

The notice is valid for 16 months, and after that period if your Account remains an inactive low balance Account, you will need to complete another declaration every 16 months if you wish your funds to remain in your Account.

Further information on unclaimed super monies and inactive low-balance super Accounts can be found in the Important Information section of this Annual Report or on the ATO website at <https://www.ato.gov.au/Individuals/Super/In-detail/Growing-your-super/Inactive-low-balance-super-accounts/>.

Alternatively, if you make a contribution or rollover to your account, make changes to your insurance, or change your investment options, before the transfer date, your account will be considered 'active' and won't be closed or transferred to the ATO.

Inactive low-balance Accounts and unclaimed super monies – Reporting and payment requirements

There are two ATO reporting periods each year (by 31 October for the 30 June six-month period, and by 30 April for the 31 December six-month period).

- 1. Member aged 65 or older** - your Account has been inactive for two years or more, and we have not been able to make contact with you for five years.
- 2. Non-Member spouse** - An amount payable to a non-Member spouse as a result of a family law superannuation split – and after making reasonable efforts to contact, the non-Member spouse, and after a reasonable period has passed, we are unable to ensure that the non-member spouse will receive the amount.
- 3. Deceased member** - the trustee is unable (after reasonable endeavour) to locate a beneficiary to pay your benefit to.
- 4. Temporary residents** - temporary residents permanently leaving Australia have up to six months to claim their superannuation and if not claimed the amount will be transferred to the ATO.

5. **Former temporary resident Member** and you have not claimed your benefit after six months from your visa expiry or cancellation date and you are not Australian or New Zealand citizen.
6. **Small and insoluble lost Member** - when your balance is less than \$6,000 (small lost member Account). and you are considered as:
- **uncontactable** - two pieces of mail sent to you have been returned undelivered, no contributions or rollovers have been received within the last 12 months, and the fund is satisfied that it will never be possible to pay an amount to the member (insoluble lost member Account).
 - **Holding an inactive low-balance Account** - A super Account is an inactive low-balance Account if all of the following criteria are met on unclaimed money day where:
 - no contribution or rollover has been received for 16 months,
 - the Account balance is less than \$6,000,
 - the member has not met a prescribed condition of release,
 - the Account is not a defined benefit Account,
 - there is no insurance on the Account,
 - the Fund is not a self-managed super fund (SMSF) or small Australian Prudential Regulation Authority (APRA) Fund.

WHEN IS AN INACTIVE LOW-BALANCE ACCOUNT CONSIDERED ACTIVE?

An inactive low-balance account is deemed to be active if any of the following have occurred within the last 16 months.
The Member:

- Changed their investment options,
- Changed or elected to maintain insurance coverage,
- Made or amended a binding death benefit beneficiary nomination,
- Notifies the Fund or ATO in writing that they are not a Member of an inactive low-balance Account,
or
- Owes the super provider an amount in respect of their membership.

Further information can be obtained from the website [ato.gov.au/Individuals/Super/Growing your super](https://ato.gov.au/Individuals/Super/Growing_your_super).

If you don't want your super member benefits transferred to the ATO, advise of any change in your personal contact details by phoning client services, or by submitting the ATO form advising you are not an inactive Member.

Important Information ■

ABRIDGED FINANCIAL INFORMATION

OneSuper

Set out below is the abridged financial information relating to OneSuper and the sub plan GROW Super¹.

OneSuper	2020 ²	2021 ³
Statement of consolidated financial position (as at 30 June 2021) ²	\$'000	\$'000
Opening net assets	187,831	168,004
Increase (decrease)	(19,827)	1,105,638
Closing net assets	168,004	1,273,642

GROW Super	2020	2021
Statement of member movements (as at 30 June 2021)	\$'000	\$'000
Opening net assets	39,612	00,000
Increase (decrease)	(39,612)	47,875
Closing net assets	00,000	47,875

NOTES:

1. The Funds financial accounts have been prepared in accordance with accounting standard AASB1056 Superannuation Entities applicable to reporting periods on or after 1 July 2016. The Funds financial accounts and audit report can be made available to Members on request by phoning Member and Adviser Services (Refer Directory on the back page).
2. 2020 consolidated financial position is reported preceding the successor fund transfer into OneSuper (formerly Smartsave 'Member's Choice' Superannuation Master Plan').

RESERVES

The Trustee maintains the following reserves in the Fund for the benefit of members. Reserves are held to meet licence conditions, facilitate administration efficiency and are invested for the benefit of members.

Operational Risk Financial Requirement

Trustees of superannuation funds are required to establish and maintain an Operational Risk Financial Reserve (ORFR) which complies with prudential requirements to ensure that the Trustee has sufficient financial resources to provide for member and/or beneficiary losses arising from an operational risk event such as incorrect benefit payments due to human or system error, unit pricing errors and loss of data. The reserve is funded from fees and other costs. Expense recovery fees may include a transfer to the ORFR to meet this regulatory requirement. Please refer to the current PDS and Guides for more information.

Expense Reserve

The Trustee maintains an expense reserve (ER) for costs not related to the administration of the fund. The expense reserve complies with prudential requirements and is utilised for the payment of fund fees, costs, tax and levies. Please refer to the current PDS and PDS Guides for more information.

	2019 ¹	2020 ¹	2021 ¹
Reserves – ORFR and Expense recovery totals (at 30 June 2021)	\$'000	\$'000	\$'000
Opening net assets	544	553	558
Increase (decrease) in reserves	9	5	3,694
Closing net assets	553	558	4,252

¹ 2019 and 2020 financial position of Reserves is reported preceding the successor fund transfer into OneSuper.

Allocating Net Earnings to Members' Accounts

Your Account balance is equal to the amount of units held multiplied by the applicable unit price(s). The value of each unit held and the unit price for each investment option changes with the value of the underlying assets of the investment option.

The Unit Pricing Process for Pooled Investment Options

We calculate the value of the underlying assets of each pooled investment option once every day. The value of the underlying assets is divided by the number of units on issue for that investment option. This is the unit price that will be applied to your transaction request.

Refer to the current PDS for more detailed information about the calculation of earnings, and the Unitisation factsheet. The PDS and factsheet are available on the website or by contacting us on 1800 640 055. Refer to your Annual Member Statement for information about the net investment

Member Statements

Your Annual Member Statement is published online in the Reports Inbox of the Secure Online Portal where possible or mailed to you. Additionally, we also publish product updates and personalised communications online.

Temporary residents

If you have worked in Australia on a temporary visa and you have super in Australia, you can apply after you leave Australia, to have this super paid to you as a departing Australia superannuation payment (DASP).

If you have not claimed your super after you have left Australia for at least 6 months, and your visa has expired or been cancelled, your super will be transferred to the ATO as unclaimed super money. You can subsequently access your benefit from the ATO. The ATO can be contacted on 13 10 20. We are not obliged to notify or give an exit statement to you if we transfer your super to the ATO after you depart Australia.

There are limited conditions of release available to a Member who is or was a temporary resident. Accounts in respect of all temporary resident members (irrespective of whether or not they have left Australia) will only be able to be released under the following conditions:

- death or terminal medical condition,
- permanent incapacity,
- departing Australia permanently – applies to temporary residents who apply in writing for release of their benefit,
- Trustee payments to the ATO under the Superannuation (Unclaimed Money and Lost Members) Act 1999, or
- temporary incapacity and/or release authorities under the Income Tax Assessment Act 1997.

NOTES: If you are a New Zealand citizen or you become an Australian citizen or permanent resident these changes will not apply to you.

Eligible Rollover Fund

During the 2020/2021 financial year, subject to any obligation to pay lost member benefits to the ATO, in situations where your member benefit was classified as lost superannuation monies, there are circumstances in which the Trustee would pay a member benefit to an Eligible Rollover Fund (ERF). An ERF receives and invests the entitlements of superannuation fund members in certain circumstances.

The Trustee may have transferred your superannuation benefit to the Plan's ERF if you become:


- *an inactive Member* (that is, you joined the Plan more than 16 months ago, but in the last 16 months there have been no contributions or rollovers credited to your Account), or are
- *a lost Member* (that is, two items of written communication from the Plan have been sent to your last known address and have been returned unclaimed in the last 12 months)

Being transferred to an ERF may affect your benefit because:

- you will cease to be a Member of the Plan,
- any insurance cover you had with the Plan will cease, and
- you will become a Member of SMERF and be subject to its governing rules.

The ERF selected by the Trustee is:

SUPER MONEY ELIGIBLE ROLLOVER FUND (SMERF)

 1800 114 380

 PO Box 1282, Albury NSW 2640

Disclosure of Interest

The Trustee was also the Trustee of SMERF and received remuneration in this capacity.

THE FUTURE OF ERFs AND SMERFS


As a result of legislative changes introduced in 2020/2021, all unclaimed and lost money is now transferred to the Australian Taxation Office (ATO). The SMERF is required to transfer all member balances to the ATO by 31 January 2022. While the requirement is to transfer all member benefits to the ATO by 31 January 2022, the Trustee of the SMERF made the decision to transfer all member benefits to the ATO by 30 June 2021. As a result of this action the SMERF was effectively closed to accepting any further member balances from 30 June 2021.

CONFLICTS


The Trustee's approach to conflicts management is governed by its Conflicts Management Policy, which sets out the principles and the minimum requirements of the Trustee. Conflicts are identified, recorded and managed on an ongoing basis via the Trustee's registers of relevant duties and interests and via other related Trustee policies, systems and processes. Training and awareness with respect to the Trustee's Conflicts Management Framework is undertaken annually. Further information can be found at www.diversa.com.au/trustee/governance.

ENQUIRIES AND COMPLAINTS

The Trustee has set up a formal procedure for dealing with complex enquiries and complaints about OneSuper or your GROW Super Account, including insurance. You can make an initial enquiry by phoning Member Services, or you can formally register your complaint by email or by writing to the Complaints Officer: A summary of the enquiries and complaints process will be provided with an acknowledgment at the time of your enquiry or complaint.

 03 90185800

 Aus-compliance@iress.com


 Complaints Officer, OneSuper
PO Box 1282, Albury NSW 2640

We aim to resolve all complex enquiries and complaints quickly and fairly. For any complaint that is unable to be resolved to your satisfaction, or if you do not receive a response within the legislative time frames (45 days from the date of making your complaint where the complaint was made on or after 5 October 2021 and 90 days for complaints received prior to 5 October 2021 and for any complaint relating to a Death Benefit), you may lodge a complaint with the Australian Financial Complaints Authority (AFCA), our external dispute resolution (EDR) scheme.


AFCA

AFCA is an external dispute resolution scheme that deals with complaints from consumers in the financial system. AFCA replaced the Superannuation Complaints Tribunal. Strict time limits apply for lodging certain complaints with AFCA; otherwise AFCA may not be able to deal with your complaint.

To find out if AFCA can handle your complaint and determine the type of information you need to provide AFCA contact details are as follows:

 1800 931 678

 info@afca.org.au

 Australian Financial Complaints Authority (AFCA)
GPO Box 3 Melbourne VIC 3001

 afca.org.au

Access to AFCA is free of charge. You can also find out more about One Super's enquiries and complaints procedures at the Funds website.

INFORMATION ON REQUEST

The following information is available on the Fund website, and/or by contacting Member Services (refer to the Directory on the back page):

- the Fund's various Product Disclosure Statements (including Investment Guide, Insurance Guide and Additional Information Guide which are incorporated by reference, where applicable),
- the Fund's regular investment performance,
- recent Member newsletters,
- the Fund's Trust Deed and Rules,
- all forms, e.g. the Nomination of Beneficiaries Form,
- information about your benefit entitlements, and
- any other information that may help you understand particular investments of the Fund or its management.

DISCLAIMER

Reasonable care is taken to ensure that information is correct, however neither the Trustee nor its service providers accept responsibility for any errors, misprints or for anyone acting on this information. The Trustee reserves its right to correct any errors or omissions.

The terms of your membership in the Fund are set out in the Fund's Trust Deed and any applicable insurance policy. Should there be any inconsistency between the Annual Report and the Fund's Trust Deed, the terms of the Fund's Trust Deed will prevail.

The Trustee reserves the right to amend the terms and conditions of the Fund in accordance with the provisions of the Trust Deed and superannuation law. The Trustee may also withdraw the PDS and close the Fund.

OBTAINING FURTHER INFORMATION

Member Enquiries

 grow@growsuper.com.au

 onesuper.com/funds/grow

 PO Box 1282 Albury NSW 2640

Trustee

Diversa Trustees Limited ABN 49 006 421 638 AFSL No 235153 RSE Licence No L0000635

GPO Box 3001, Melbourne VIC 3001

Promoter of OneSuper

OneVue Wealth Services Ltd ABN 70 120 380 627 AFSL 308868

Level 5, 10 Spring Street, Sydney, NSW 2000

Administrator

OneVue Super Services ABN 74 006 877 872 AFSL No 246883

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