



Significant Event Notice.

For investors in Hostplus Self-Managed Invest (SMI)

14 September 2021

i This Significant Event Notice contains important updates relating to changes to the Hostplus SMI which may impact your investment and related services. Please take the time to read through the important information provided and please refer to the Hostplus SMI Product Disclosure Statement (PDS) and Additional Information booklet dated 1 July 2021 our website.

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1. Changes to some of Hostplus Self-Managed Invest (SMI) investment options' investment strategy objectives, risk profiles and strategic asset allocations.

Hostplus' investment options are designed with different investment objectives, strategies and risk profiles established by the Trustee.

We closely monitor the overall investment profile, and from time to time amend the investment strategy to reflect changing circumstances in markets, in order to achieve the outlined objective of each investment option.

These changes were updated in the 1 July 2021 PDS edition.

Effective from 1 July 2021, some changes (highlighted) have been made to the following Hostplus SMI investment options:

	Indexed Balanced		Balanced		IFM – Australian Infrastructure		Infrastructure		Industry Super Property Trust – Property		Property													
	From 1 July 2021	Prior to 1 July 2021	From 1 July 2021	Prior to 1 July 2021	From 1 July 2021	Prior to 1 July 2021	From 1 July 2021	Prior to 1 July 2021	From 1 July 2021	Prior to 1 July 2021	From 1 July 2021	Prior to 1 July 2021												
Return target Accumulation	CPI plus 2.5% per annum on average over 20 years.	CPI plus 2.5% per annum on average over 20 years.	CPI plus 4% p.a. on average over 20 years. CPI plus 3% p.a. on average over 10 years.	CPI plus 4% p.a. on average over 20 years. CPI plus 3% p.a. on average over 10 years.	CPI plus 2.0% per annum on average over 20 years.	CPI plus 2.5% per annum on average over 20 years.	CPI plus 2.0% per annum on average over 20 years.	CPI plus 2.5% per annum on average over 20 years.	CPI plus 2.0% per annum on average over 20 years.	CPI plus 2.0% per annum on average over 20 years.	CPI plus 2.0% per annum on average over 20 years.	CPI plus 2.0% per annum on average over 20 years.												
Return target Pension	CPI plus 3.0% per annum on average over 20 years.	CPI plus 3.5% per annum on average over 20 years.	CPI plus 5% p.a. on average over 20 years. CPI plus 3.5% p.a. on average over 10 years.	CPI plus 5% p.a. on average over 20 years. CPI plus 3.5% p.a. on average over 10 years.	CPI plus 3.0% per annum on average over 20 years.	CPI plus 3.5% per annum on average over 20 years.	CPI plus 3.0% per annum on average over 20 years.	CPI plus 3.5% per annum on average over 20 years.	CPI plus 3.0% per annum on average over 20 years.	CPI plus 3.0% per annum on average over 20 years.	CPI plus 3.0% per annum on average over 20 years.	CPI plus 3.0% per annum on average over 20 years.												
Level of investment risk*	High. (Negative returns expected in between 4 to less than 6 out of every 20 years)	High. (Negative returns expected in between 4 to less than 6 out of every 20 years)	Medium to High. (Negative returns expected in between 3 to less than 4 out of every 20 years)	Medium to High. (Negative returns expected in between 3 to less than 4 out of every 20 years)	Medium to High. (Negative returns expected in between 3 to less than 4 out of every 20 years)	Medium to High. (Negative returns expected in between 3 to less than 4 out of every 20 years)	Medium to High. (Negative returns expected in between 3 to less than 4 out of every 20 years)	Medium to High. (Negative returns expected in between 3 to less than 4 out of every 20 years)	Medium to High. (Negative returns expected in between 3 to less than 4 out of every 20 years)	High. (Negative returns expected in between 4 to less than 6 out of every 20 years)	Medium to High. (Negative returns expected in between 3 to less than 4 out of every 20 years)	High. (Negative returns expected in between 4 to less than 6 out of every 20 years)												
Asset mix																								
Asset Class	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark	Range	Strategic Asset Allocation Benchmark
Australian Shares	25–55%	35%	25–55%	32%	10–40%	21%	10–40%	21%																
International Shares - Developed Markets	25–55%	40%	25–55%	43%	10–40%	21%	10–40%	21%																
International Shares - Emerging Markets	0–10%	0%	0–10%	0%	0–15%	8%	0–15%	8%																
Property					0–30%	11%	0–30%	13%									0–100%	100%	0–100%	100%	0–100%	100%	0–100%	100%
Infrastructure					0–30%	11%	0–30%	12%	0–100%	100%	0–100%	100%	0–100%	100%	0–100%	100%								
Private Equity					0–20%	10%	0–20%	8%																
Credit					0–20%	7%	0–20%	7%																
Alternatives					0–20%	3%	0–20%	5%																
Diversified Fixed Interest	10–30%	17%	10–30%	17%	0–20%	3%	0–20%	0%																
Cash	0–20%	8%	0–20%	8%	0–15%	5%	0–15%	5%																
Growth assets	75%		75%		76%		76%		60%		60%		60%		60%		30%		30%		30%		30%	
Defensive assets	25%		25%		24%		24%		40%		40%		40%		40%		70%		70%		70%		70%	

2. The investment relationship between Hostplus' Balanced option and new retirement option, CPIplus.

CPIplus is a new Account Based Pension only investment option introduced from 1 July 2021, designed to offer returns that are more certain and less volatile for pension members.

The assets in the CPIplus option are invested in the same pool and alongside Hostplus' Balanced option (in the Pension phase), which is the same pool of assets which the Fund's Balanced option assets (in the Accumulation and Transition to Retirement phases) are also invested in. Through an internal investment mechanism that sets and regulates the predetermined return for the CPIplus option, the Balanced option (in the Accumulation phase) provides investors in the CPIplus option the predetermined return irrespective of market and performance outcomes.

While the return to the CPIplus option is predetermined, the Balanced option (in the Accumulation phase) receives the benefit of any excess market returns generated on the underlying assets of the CPIplus option. If, however, the investment return generated on the underlying assets of the CPIplus option falls short of the predetermined return, the Balanced option (in the Accumulation phase) makes up the shortfall. This mechanism could therefore result in the Balanced option (in the Accumulation phase) returns being either increased or decreased, depending on how the market returns compare to the predetermined returns.

For further details, please refer to the SMI Additional information brochure available at hostplus.com.au/self-managed-invest/forms-and-resources.