

Asgard Super and Pension Account

Annual Report

For the year ending 30 June 2019

ASGARD SUPER/PENSION

Asgard Managed Profiles and Separately Managed
Accounts – Funds Super/Pension
Asgard Elements – Super/Pension
Asgard eWRAP – Super/Pension
Asgard Infinity eWRAP Super/Pension
Asgard Open eWRAP – Super/Pension

Asgard Business Super

Asgard Employee Super Account

Asgard Super and Pension Account

Annual Report

For the year ending 30 June 2019

IMPORTANT INFORMATION

This Annual Report is issued by BT Funds Management Limited (BTFM, we, us, our) ABN 63 002 916 458 AFSL 233724, as the Trustee of the Asgard Independence Plan – Division 2 (which includes Asgard Managed Profiles and Separately Managed Accounts – Funds Super/Pension, Asgard Elements – Super/Pension, Asgard eWRAP – Super/Pension, Asgard Open eWRAP – Super/Pension, Asgard Infinity eWRAP Super/Pension and Asgard Employee Super Account) – collectively referred to as 'Asgard Super/Pension' Fund ABN 90 194 410 365.

Asgard Capital Management Ltd (Asgard) ABN 92 009 279 592 AFSL 240695 is the Administrator and Custodian of Asgard Super/Pension.

The Trustee has not received any notices or penalties for non-compliance during the reporting period and has formally resolved that the accounts will at all times be administered in strict compliance with all applicable acts and regulations.

The investment information or general advice provided in this publication does not take into account your personal objectives, financial situation or needs. Before acting on the information you should consider the appropriateness of the information or advice having regard to these factors. Whether you open or continue to hold an Asgard product or service, you should obtain and consider the relevant Product Disclosure Statement (PDS), available from your financial adviser or our Customer Relations team.

An investment in the super and pension accounts is not a deposit or liability of Westpac or any other company within the Westpac Group. The super and pension accounts and the investments you select are subject to investment risk, including possible delays in repayment and the loss of income and capital invested. Neither Westpac, nor any other company within the Westpac Group, in any way stands behind or guarantees the capital value and/or the performance of the specific investments you select or the Asgard Super/Pension accounts generally.

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The year in review

Dear member,

I'm pleased to present you with the Asgard Super/Pension Account Annual Report for the year ending 30 June 2019. This report gives you an update on product and regulatory changes that may affect your Asgard Super/Pension account, abridged financial information and more.

The impact of a volatile political environment across the world has continued to be the driving force behind much of the uncertainty and tension affecting economic growth over the last 12 months. The much publicised escalation of the trade tensions between the US and China, an unresolved Brexit, Central Bank interest rate policies and political uncertainty across Europe all made for a challenging environment.

In Australia, we saw the Coalition retain government in a result that surprised many. The Reserve Bank of Australia (RBA) cut the official interest rate by 0.25% at its October meeting – with the new cash rate of 0.75% the lowest it's ever been. The RBA has cited support for employment and inflationary measures as key reasons for the change, confirming their goal of providing a base for sustainable growth in the economy and the achievement of the RBA's 2–3% inflation target over time.

In 2019 we continued to deliver product and service enhancements for you such as:

- fast-tracking our residual balance payments process to allow you to invest your funds in your open super account sooner.
- making the SuperCheck tool available for Asgard Employee Super Account members.
- adding even more managed funds and ASX-listed securities to Asgard eWRAP and Infinity eWRAP.

We're proud to have achieved a Top Ten Pension Product classification for 2019/20 by The Heron Partnership for Asgard eWRAP and Infinity eWRAP Pension, plus 5 Heron Quality Stars for Asgard Elements Super/Pension, eWRAP Super/Pension, Infinity eWRAP Super/Pension and Asgard Employee Super. Asgard also achieved 2019/20 Top Ten Super Products for Insurance Features in our Super products and the quality of our Investment Features for Elements Super and Asgard Employee Super products.

We also achieved High Quality Fund ratings from Chant West for Elements Super/Pension, eWRAP Super/Pension, Infinity Super/Pension and Asgard Allocated Pension Account.

You can find more information in this report or log into Investor *Online* at <https://investoronline.info> to read articles under 'Latest news and updates'. If you have any questions about the report or your account, please contact your financial adviser or call us on 1800 998 185.

Thank you for your continued support. I wish you all the very best for a safe and happy festive season and the year ahead.

Yours sincerely



Dina Kotsopoulos

Head of Platforms – Platforms, Investments & Operations
Business Division, Westpac Group

For and on behalf of the Trustee of the Asgard Independence Plan – Division 2

Recent developments in super

2019/20 superannuation thresholds

The superannuation contributions caps and various other superannuation thresholds that apply for the current financial year are as follows:

Concessional contributions cap	\$25,000¹
Non-concessional contributions cap	\$100,000 ²
Capital Gains Tax (CGT) cap (lifetime limit)	\$1,515,000
Government co-contributions	
Maximum co-contribution ³	\$500
Lower threshold	\$38,564
Upper threshold (cut off)	\$53,564
Superannuation Guarantee (SG) rate⁴	9.5%
Low rate cap	\$210,000

Catch-up concessional contributions

From 1 July 2019, if an eligible individual contributes less than the concessional contribution cap, the unused amount, accrued from 1 July 2018, may be carried forward for up to five years. This allows additional pre-tax contributions to be made in future years that would have otherwise exceeded the cap.

To be eligible, an individual's total super balance as at 30 June of the previous financial year must be less than \$500,000. For individuals with multiple super accounts, the total of all accounts combined must be less than \$500,000. For more information go to ato.gov.au.

Super contributions – work test exemption

Generally, individuals aged between 65 to 74 need to meet a work test to make personal contributions to super.

The work test means that an individual must be 'gainfully employed' for at least 40 hours in any 30 consecutive day period in the financial year in which the super contribution is made.

From 1 July 2019, individuals aged 65 to 74 may receive an exemption from the work test if they met it in the previous financial year and their total super balance was less than \$300,000 at 30 June in the same year. This means individuals over 65 may be able to make additional contributions to super in the financial year after they retire. The work test exemption can only be used once in an individual's lifetime.

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- 1 From 1 July 2019 members with a total super balance less than \$500,000 at the end of the previous financial year can carry forward unused concessional cap amounts that accrue from 1 July 2018 onwards, for up to five financial years.
 - 2 If you were under age 65 on 1 July 2019 and satisfy other conditions you may be able to make larger non-concessional contributions over two or three financial years. Once your total super balance has reached \$1.6 million, your non-concessional contribution cap will be nil. Your total super balance is assessed at 30 June of the previous financial year.
 - 3 The maximum co-contribution payable is phased out by 3.333 cents for every dollar of total income over the lower threshold, until it reaches zero at the upper threshold.
 - 4 The SG rate is currently 9.5% where it will remain until 30 June 2021. From 1 July 2021, the SG rate will increase to 10% and thereafter will increase by 0.5% each financial year until it reaches 12% at 1 July 2025.

Protecting Your Superannuation package

The Protecting Your Superannuation package is designed to help protect and grow super. It aims to ensure fees and insurance premiums in super aren't unnecessarily eroding retirement savings. The changes include:

- a ban on exit fees for account closures and partial withdrawal of monies
- a 3% cap on administration and investment-related fees for accounts under \$6,000
- ceasing insurance cover within super where an account becomes inactive
- the transfer of inactive accounts under \$6,000 to the Australian Tax Office (ATO).

Fee cap and ban on exit fees

Commencing from the 2019/20 financial year, if an individual's super balance is below \$6,000 on 30 June of the financial year, any administration and investment fees, including indirect costs, charged to their super account for the financial year greater than 3% of the balance will be refunded to their super account. If the super account balance is less than \$6,000 immediately before it's closed, the 3% fee cap will also apply on a pro-rata basis.

In addition, from 1 July 2019 exit fees will no longer be charged if an individual withdraws all or part of their super account.

Ceasing insurance cover within super for inactive accounts

If an individual's super account has insurance and the account remains 'inactive' for 16 months, the insurance may be cancelled unless the individual nominates to keep it. An 'inactive' account is where no contributions or rollovers have been received for a continuous period of 16 months.

Please note, if you're impacted by this change, we'll let you know before your account is considered 'inactive' and provide details of the insurance cover you hold through super and the choices available to you.

Inactive low balance accounts transferred to the ATO

From 30 June 2019, we may be required to transfer an individual's super account to the ATO if the account balance is below \$6,000 and the account hasn't received a contribution or rollover for a continuous 16 month period.

Generally, a super account won't be transferred to the ATO if in the last 16 months an individual has:

- Made an investment switch
- Made or amended a binding beneficiary nomination
- Made changes to their insurance or
- Provided us a written authority to notify the ATO that they are not a member of an inactive low-balance account.

If an individual has insurance provided via their super account, has met a prescribed condition of release or the account is a pension account, including transition to retirement income stream, their account will not be transferred to the ATO.

If an individual's super is transferred to the ATO, the ATO may automatically pay the amount into their current super account.

Putting Members Interests First – Insurance

From 1 April 2020, super funds can only provide insurance in super on an 'opt-in' basis for new members under age 25 and accounts with balances less than \$6,000. This means that insurance cover cannot be provided automatically to new fund members where they join with a nil balance regardless of age.

These new requirements are in addition to the requirements prohibiting trustees from offering insurance on an opt-out basis for super accounts that have not received a contribution or rollover for a continuous 16 month period.

Multiple employers – SG opt-out

Individuals with multiple employers, who expect their employer's SG contributions will exceed their concessional contributions cap for a financial year, can apply for an exemption certificate to release one or more of their employers from their SG obligations. Individuals must apply to the ATO before the relevant cut-off dates using the ATO approved form available from the ATO. For more information visit ato.gov.au.

Grandfathered commissions

All managed investment and superannuation commissions that are currently paid to financial services licensees in relation to financial advice provided to retail clients will be banned from 1 January 2021. This measure was recommended as part of the Royal Commission into Banking, Superannuation and Financial Services Industry.

Employers SG obligations

From 1 January 2020, employers will no longer be able to use an employee's salary sacrifice contributions in order to satisfy their employer SG obligations.

Proposed changes to superannuation

Choice of super fund extended

Currently employees covered under enterprise agreements and workplace determinations, may not have the option to elect which super fund they want their employer super contributions to be paid. The Government has proposed to remove this restriction allowing employees the right to choice of fund.

Asgard Super and Pension changes

We've fast-tracked our residual balance payments process

Residual balances occur when income distributions, investment manager rebates or tax credits are deposited into an account after it's closed.

If you have closed your super account and rolled it into another super account, your residual balance will now be transferred electronically.

This faster process will speed up the funds transfer from several weeks to less than 24 hours and means that your funds can be invested sooner in your open account.

SuperCheck tool now available for AESA members

With nearly \$18 billion in lost super waiting to be reunited with millions of Australians, Asgard's new SuperCheck tool is our way of helping Asgard Employee Super Account (AESA) members do just that. AESA members can discover how much super they have and where it is in a matter of seconds. They can then choose to combine their other super into their existing Asgard Employee Super Account if they like.

SuperCheck is now accessible to all AESA members who hold a single Asgard super account via Investor Online either from the:

- 'Find and combine your super' link in the 'Your account snapshot' section of the Investor Online home page; or
- new SuperCheck tool menu under the main Accounts menu displayed at the top of every screen.

A change to the net earnings calculation in Investor Reports

Net earnings on investments reflects the net amount you've earned on your investment during the period. For prior periods it was calculated by adding together income from investments, fee rebates, and realised and unrealised gains and losses.

Going forward net earnings on investments calculation will also include monthly management fees (including share transaction fees where applicable), and taxes related to earnings (eg PAYG instalments).

This change in calculation method has no impact on your total account valuation or the closing balance shown on your annual statement. The long term returns shown for individual asset holdings also remain unchanged.

New funds on Asgard eWRAP and Asgard Infinity eWRAP

Over the 2018/19 financial year, 33 new managed funds were added to Asgard eWRAP and Asgard Infinity eWRAP, covering a range of investment strategies.

In addition to this, 105 ASX-listed securities were approved for Super/Pension members, with over 750 now ready to invest in.

To find out more about these investment options or Asgard eWRAP and Infinity eWRAP, please speak to your adviser or call us on 1800 731 812.

Updated investment return objective of your Lifestage Investment Option for AESA members

The table below shows the investment objective for each Asgard MySuper Lifestage Investment Option as at 1 July 2019 for AESA members:

Asgard MySuper Lifestage Investment Option	Investment return objective (over a 10 year period) ¹
1940s	CPI + 1.0% pa
1950s	CPI + 1.3% pa
1960s	CPI + 2.2% pa
1970s	CPI + 3.3% pa
1980s	CPI + 3.3% pa
1990s	CPI + 3.3% pa
2000s	CPI + 3.3% pa

¹ After fees and taxes

Updated Asgard MySuper Lifestage Investment Options for AESA members

The table below shows the estimated indirect costs and buy-sell spreads in relation to the year ended 30 June 2019 for AESA members:

Estimated Indirect Costs ¹				
Asgard MySuper Lifestage Investment Option	Investment Manager fee (%)	Estimated performance-related fee (% pa)	Other indirect costs (% pa)	Estimated buy-sell spread (%)
1940s	0.50	0.04	0.06	0.36
1950s	0.50	0.03	0.06	0.36
1960s	0.50	0.03	0.07	0.36
1970s	0.50	0.03	0.07	0.36
1980s	0.50	0.03	0.07	0.36
1990s	0.50	0.03	0.07	0.36
2000s	0.50	0.03	0.07	0.36

¹ Estimated indirect costs are an estimate to the 12 months to 30 June 2020. Performance-related fees are not a representation of likely future performance. The actual performance-related fees will depend on the performance of the relevant investment managers, so are likely to vary from this estimate.

Understanding your investment

Asgard Infinity eWRAP

Asgard Infinity eWRAP offers a fully customisable eWRAP account that allows you to wrap all of your super/pension investments (managed investments, shares, term deposits and cash) and insurance (super only) into one account.

You have the flexibility to add (or remove) optional features to your Core account as your needs change, and you only pay for the features you need. Asgard Infinity eWRAP consolidates all transaction reporting to provide you with continuous, online access to account information via Investor Online 24 hours a day, 7 days a week.

Asgard eWRAP and Asgard Open eWRAP

Asgard eWRAP and Asgard Open eWRAP enables you to wrap all your superannuation investments into the one simple superannuation or pension account. You get access to our extensive range of wholesale managed investments, term deposits, a wide range of shares listed on the Australian Securities Exchange (ASX) and a transaction account with no account-keeping or transaction fees.

Asgard Managed Profiles and Separately Managed Accounts – Funds

Depending on the investment option you select, Managed Profiles or Separately Managed Accounts, you have access to a wide range of managed investment and shares.

Managed Profiles allows you to design your own investment profile by providing you access to a wide range of wholesale managed investments, term deposits, and a broad range of securities listed on the ASX.

Separately Managed Accounts – Funds (SMA – Funds) offers you a selection of five pre-set portfolios of managed investments. The five portfolios are tailored to meet specific risk tolerance levels, depending on whether you're a cautious investor or whether you're willing to take greater risks for a higher return on your money. Your investments in the SMA – Funds are directly invested into the equivalent Advance Diversified Multi-blend fund.

The investment objectives and strategies of the SMA – Funds portfolios are summarised in the following table.

SMA – Funds objectives and strategy

Asgard SMA – Funds portfolio	Investment objectives	Strategy
Defensive	To provide secure income with a low risk of capital loss over the short to medium term with some capital growth over the long term.	The Fund invests in a diverse mix of assets with a majority (about 70%) in the defensive assets of cash and fixed income, and a modest investment (about 30%) in growth assets such as shares. The Fund's exposure to these asset classes will be obtained primarily by investing directly into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts.
Moderate	To provide relatively stable total returns (before fees and taxes) over the short to medium term, with some capital growth over the long term through a diversified mix of growth and defensive assets.	The Fund invests in a mix of defensive assets (around 50%) such as cash and fixed interest and growth assets (around 50%) such as shares and property. The Fund's exposure to these asset classes will be obtained primarily by investing directly into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts.
Balanced	To provide moderate to high total returns (before fees and taxes) over the medium term from a combination of capital growth and income through a diversified mix of growth and defensive assets.	The Fund invests in a diverse mix of assets with both income-producing assets (around 30%) of cash and fixed interest, and growth assets (around 70%) including shares and property. The Fund's exposure to these asset classes will be obtained primarily by investing directly into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts.
Growth	To provide moderate to high total returns (before fees and taxes) over the medium to long term largely through capital growth by investing in a mix of growth and defensive assets.	The Fund invests in a diverse mix of assets with an emphasis (about 85%) on the growth oriented assets of Australian and international shares, and investment (about 15%) in the defensive assets of cash and fixed interest providing some income and stability of returns. The Fund's exposure to these asset classes will be obtained primarily by investing directly into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts.
High Growth	To provide superior total returns (before fees and taxes) over the long term through capital growth by investing primarily in growth assets.	The Fund invests primarily in growth assets such as Australian and international shares and property. The Fund's exposure to these asset classes will be obtained primarily by investing into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts.

Asgard Elements

Asgard Elements offers you the opportunity to invest with some of the most recognised investment brands in the industry at a low cost. The Elements investment menu provides investors with a smaller, concentrated menu of diversified and sector specific multi-blend options (known as multi-manager funds) and a range of discretionary investments (known as single-manager funds) that have been selected against rigorous criteria to ensure they're of the highest quality.

Asgard Employee Super Account

The Asgard Employee Super Account provides comprehensive superannuation and insurance solutions as your employer's chosen plan. Employees, their spouses and families can access a broad investment menu.

On joining Asgard Employee Super, employees will automatically be invested in an actively managed Asgard MySuper Lifestage Investment applicable for their year of birth. The MySuper Lifestage Investment offers members a diversified investment portfolio managed according to their age and lifestage.

Employees, their spouses and family members can also change their investment selection at any time, and alternatively, select the Asgard SMA – Funds investment option, or Managed Profiles investment option, which provides over 400 managed investments and a range of securities listed on the ASX to choose from.

Taking your super with you

If you leave your employer, you and your spouse and family members associated with your account will become 'Personal' members within Asgard Employee Super. By becoming a 'Personal' member, you keep:

- the same member number
- your financial adviser (if you have one)
- your existing investment options
- your beneficiary nominations
- 24/7 secure online access via Investor *Online*
- access to our Benefits Now program.

You can take your Asgard Employee Super Account with you to your new employer by completing a Choice Form available at asgard.com.au > Products & Services > Asgard Employee Super > Changing jobs > Taking Asgard Employee Super with you.

Combining your super

One of the biggest advantages of combining your super accounts is the potential savings in fees. If you're paying fees on multiple accounts, you can reduce the amount of fees you pay by reducing the number of super funds you have.

Another advantage of consolidating your super is less paperwork. Having one super account means you only have one set of paperwork to manage. This could make it easier to keep on top of your super and understanding exactly how it is performing.

With Asgard, consolidating your super is easy. If you have multiple super funds and would like to consolidate now, login to Investor *Online* and select the Combine your super tab today.

Contributing to your super via the BPAY® payment facility

BPAY® is a quick and easy way for you to make deposits directly into your Asgard account. All you need is your customer reference number and the relevant Biller Code.

Depending on what type of contribution you're making, there are different Biller Codes that apply when using BPAY®.

Contribution type	Biller code
Personal deducted contributions	66043
Personal undeducted contributions	66050
Salary sacrifice contributions	66027
Employer super guarantee (SG) contributions	66019
Spouse contributions	66068

Note: by using a Biller Code to make a BPAY deposit, you acknowledge that you've received underlying disclosure document for the managed investments and cash products in your account (including information about significant events or matters affecting them) electronically on Investor Online. You can access these documents via the 'PDS' menu option on the Investor Online homepage.

Performance information

Performance as at 30 June 2019

For actual performance of your Asgard Super/Pension account, please refer to your Investor Report for the period ending 30 June 2019 which was issued to you in July.

For more recent performance information, you can access Investment Monthly performance tables on Investor *Online* <https://investoronline.info> under Information > Performance tables.

Investment information

Investment choice

Through Asgard, you have access to an extensive range of investment options, such as managed investments and shares. For the list of investment choices available for each product, please refer to the relevant Product Disclosure Statement (PDS) available through Investor *Online* or speak to your financial adviser. Alternatively, you can call us on 1800 998 185.

Investment strategy and objectives

When selecting a managed investment, we take into consideration the quality of the investment manager's business, stability of its investment team, past performance and investment management process before selecting investment options.

We do not take into account labour standards or environmental, social or ethical considerations in selecting, retaining or realising investments. However, the various investment managers of the managed investments available may have their own policy on the extent to which labour standards or environmental, social or ethical considerations are taken into account when making investment decisions.

For further information on a specific managed investment held in your account, including its investment strategy, objectives and asset allocation, please refer to the underlying disclosure document for that investment option, accessible through Investor Online. You may also obtain a copy of these disclosure documents free of charge from your financial adviser or us.

Asset allocations

We provide you with detailed information on the asset allocations of the investments in the accounts. You can access the Investment Monthly asset allocation tables as at 30 June 2018 via Investor Online under Information > Performance tables.

Earnings paid to your account

Earnings, in the form of capital growth, income distributions or dividends, received from your investments are credited to your account. Your investment earnings will depend on the performance of the investments you choose and the amount of money invested in each.

All gains and losses are reflected through changes in the value of your investments. We credit all dividend or distribution payments from your investments to your transaction account when they're received.

Investment managers

The investment options we offer are managed by the following investment managers:

Aberdeen Standard Investments Australia Limited	Charter Hall Property Securities Management Limited
Acadian Asset Management	Colonial First State Fund Managers Limited
Advance Asset Management Limited	Cooper Investors Pty Limited
Allan Gray Australia Pty Limited	DFA Australia Limited
AllianceBernstein Australia Limited	DNR Capital Pty Limited
Alphinity Investment Management Pty Limited	Eley Griffiths Group Limited
AMP Capital Investors Limited	Ellerston Capital Limited
AMP Life Limited	Epoch Investment Partners Inc.
Antares Capital Partners Limited	Fiducian Portfolio Services Limited
Antipodes Partners Limited	FIL Investment Management (Australia) Limited
APN Funds Management Limited	Franklin Templeton Investments Australia Limited
AQR Capital Management Llc	Freehold Investment Management
Armytage Wholesale Funds Management Limited	Ganes Capital Management Limited
Atrium Investment Management Pty Limited	GMO Australia
Aurora Funds Management Limited	Hyperion Asset Management Limited
Ausbil Investment Management Limited	Integrity Investment Management
Auscap Asset Management Limited	Invesco Australia Limited
Australian Ethical Investment Limited	Investors Mutual Asset Management
Australian Unity Funds Management	iPac Asset Management Limited
AXA Investment Managers Asia (Singapore) Limited	Ironbark Asset Management (Funds Services) Limited
Bank Australia Limited	JamiesonCooteBonds Pty Limited
Bennelong Funds Management Limited	Janus Henderson Investors (Australia) Institutional Funds Management Limited
Bentham Asset Management Pty Limited	JPMorgan Asset Management (Australia) Limited
Betashares Capital Limited	K2 Asset Management Limited
BlackRock Investment Management (Australia) Limited	L1 Capital Pty Limited
BNP Paribas Asset Management Australia Limited	Lazard Asset Management Pacific Co
Brookfield Capital Management Limited	Legg Mason Asset Management Australia Limited
BT Funds Management Limited	Macquarie Investment Management Global Limited
BT Funds Management No.2 Limited	Macquarie Professional Series
Celeste Funds Management Limited	Magellan Asset Management
Challenger Retirement & Investment Services Limited	MAN Investments Australia Limited
Charter Hall Direct Property Management Limited	Maple-Brown Abbott Limited

Investment information

Merlon Capital Partners Pty Limited	Prime Value Asset Management Limited
MFS International Australia Pty Limited	Pyrford International Limited
MLC Investments Limited	Principal Global Investors (Australia) Limited
Montgomery Investment Management Pty Limited	RACQ Bank
Morningstar Investment Management Australia Limited	RARE Infrastructure Limited
Mosaic Portfolio Advisers Limited	Regal Funds Management Pty Limited
Munro Partners	Resolution Capital Limited
Mutual Limited	Robeco Hong Kong Limited
NAB Invest Managed Investments Limited	Rubicon Asset Management Limited
Nanuk Asset Management Pty Limited	Russell Investment Management Limited
Neuberger Berman Australia Pty Limited	Schroder Investment Management Australia Limited
Nikko AM Limited	SG Hiscock & Company Limited
OC Funds Management Pty Limited	Smarter Money Investments Pty Limited
Odey Asset Management LLP	Solaris Investment Management
OnePath Funds Management Limited	Standard Life Investments
OnePath Life Limited	State Street Global Advisors Australia Limited
Orbis Investment Management Limited	Stonehouse Financial Services Pty Limited
Pan-Tribal Asset Management Pty Limited	T. Rowe Price Australia Limited
Paradice Investment Management Pty Limited	The Colonial Mutual Life Assurance Society Limited
Payden & Rygel Global Limited	Tribeca Investment Partners Pty Limited
Pendal Funds Services Limited	UBS Asset Management (Australia) Limited
Pengana Capital Limited	Value Partners Hong Kong Limited
Perennial Investment Partners Limited	Van Eyk Research Limited
Perpetual Funds Management Limited	Vanguard Investments Australia Limited
Phoenix Portfolios Pty Limited	Ventura Investment Management Limited
PIMCO Australia Pty Limited	Vertium Asset Management Pty Limited
Pinebridge Investments LLC	Watermark Funds Management Pty Limited
Pinnacle Fund Services Limited	Westpac Bank Corporation
Platinum Investment Management Limited	Westpac Financial Services Limited
Plato Investment Management Limited	Yarra Funds Management Limited
Platypus Asset Management Pty Limited	Zurich Financial Services Australia Limited
PM Capital Limited	Zurich Investment Management Limited

Investments exceeding 5%

The following investments exceeded 5% of the accounts' total assets at 30 June 2019:

Asgard Independence Plan – Division 2	
Direct asset	%
BT Institutional Conservative Outlook PST	11
Westpac Term Deposits	7
Advance Balanced Multi-Blend Fund	5
Indirect asset	%
BT Multi-Manager Accumulator Fund	8

Other important information

Use of derivative financial instruments

Our super accounts are not directly exposed to, or involved in, the use of derivative financial instruments. However, some of the accounts' underlying investments are in externally managed investments. These may, as part of that investment manager's strategy, be involved in derivative financial instruments to hedge or partially hedge specific exposures. The investment strategy of our super accounts is not to enter, hold or issue derivative financial instruments for trading purposes.

Do we have your tax file number (TFN)?

If your TFN hasn't been provided to us by 30 June of a financial year, we may be required to deduct additional tax, at a rate of 32% (includes Medicare Levy), from any employer contributions made to your account during that financial year. This additional tax, commonly referred to as 'No-TFN tax', may have been deducted from employer contributions made to your account since 1 July 2007.

You're not required to supply your TFN to us, however if you do provide your TFN to us before 30 June 2019:

- you won't have additional tax deducted from employer contributions made to your account during the 2018/19 financial year, and
- you may be eligible for a refund of any additional tax that may have been paid on employer contributions made to your account in the last three financial years (2016/17, 2017/18 and 2018/19).

Closed accounts

If you close your Super or Pension account and amounts less than \$50 are subsequently credited to your closed account, we'll apply this money for the general benefit of all current investors of the fund rather than your closed account.

Service fee

The Administrator may receive a service fee of up to 1.1% per annum (including GST) from Westpac (including St.George) and/or other providers of cash products. This fee may be received on some or all of the cash products held through your account and is for the introduction of your banking business and for performing client service activities and transaction reporting. This service fee is calculated as a percentage of the daily balance of the relevant cash products. It is not an additional charge to you.

The Administrator may rebate some of the service fee we receive back to you to reduce the cost of running your account. Where this occurs you will see a transaction in your account titled 'Cash Service Fee Rebate'.

Eligible Rollover Fund – Superannuation accounts only

SuperTrace Eligible Rollover Fund (ABN 73 703 878 235) (SuperTrace) is currently our nominated Eligible Rollover Fund. We may transfer your benefits to SuperTrace if the value of your account is less than \$2,000 and we are not obliged to forward your balance to the ATO under the unclaimed money laws.

If your benefits are transferred into SuperTrace:

- you will no longer be a member of the Fund and any insurance cover you may have held through us will cease on the date of transfer
- no further contributions may be made to your account
- you will not be able to make contributions to SuperTrace
- you will not have any investment choice – the trustee of SuperTrace will nominate the investment strategy that will apply, and
- the trustee of SuperTrace must ensure that all benefits are subject to its governing rules and the superannuation law, irrespective of the size of the benefit.

Refer to the SuperTrace product disclosure statement for more information on SuperTrace which you should receive shortly after the time that your benefits are transferred.

For further information contact:

SuperTrace Eligible Rollover Fund
Locked Bag 5429
Parramatta NSW 2124
Telephone: 1300 788 750

Other important information

Policy committees (only applicable to Asgard Employee Super Account)

Employers with 50 or more employer sponsored members in a superannuation plan have an obligation to establish a policy committee. Employers with fewer employees may establish a committee but are not obliged to do so.

The policy committee serves as an avenue for sponsored members to enquire about the operation or management of their plan. While there's an obligation to establish the committee, if the committee decides that it serves no purpose, then it may resolve to dissolve itself at its convenience. It may be re-established in the future if requested by at least five employees.

If you're interested in finding out more about your policy committee, you should ask your employer for details. Your employer should be able to advise you of the committee members and how each member was appointed.

Professional indemnity insurance

We're currently covered by a professional indemnity insurance policy.

Temporary residents

A temporary resident is a holder of a temporary visa under the *Migration Act 1958*.

From 1 April 2009, if you are, or were, a temporary resident and are not an Australian citizen, New Zealand citizen or permanent resident of Australia, or a holder of a retirement visa (Subclass 405 or 410), you can generally only access your preserved super benefits if you become permanently incapacitated, have a terminal medical condition, or have departed Australia permanently and your visa has ceased, or your beneficiaries may access your benefits if you die. You may also be able to access your benefit if you satisfied another condition of release under superannuation law before 1 April 2009.

The Australian Government also requires us to pay temporary residents' unclaimed super to the ATO after at least six months have passed since the later of:

- the date a temporary resident's visa ceased to be in effect, and
- the date a temporary resident permanently left Australia.

Applications to claim your benefit can be made using the ATO Departing Australia Superannuation Payment ('DASP') online application system. To access this system and full information regarding DASP procedures and current tax rates visit ato.gov.au.

We are permitted under, and rely on, ASIC relief under Class Order CO 09/437 to not notify or provide an exit statement to a non-resident in circumstances where we pay unclaimed superannuation to the ATO under Division 3 of Part 3A of the *Superannuation (Unclaimed Money and Lost Members) Act 1999*.

Financial information

As permitted under the Corporations Act, audited fund accounts and the auditor's report have not been included with this Annual Report. Copies of complete audited financial statements and the auditor's report will be available from:

Asgard
PO Box 7490
Cloisters Square WA 6850
or by calling 1800 998 185.

Other important information

Enquiries and complaints

If you'd like further financial information that's not included in this Annual Report, including information about fees and charges and other effects arising from a rollover or transfer of your benefit entitlements, we're happy to provide it on request.

If you have any enquiries or complaints about the operation or management of Asgard Super/Pension accounts, please contact us on:

Telephone:

1800 998 185

Visit:

asgard.com.au/contact to send us your query

Or write to:

Asgard
PO Box 7490
Cloisters Square WA 6850

If you've made a complaint to us about a decision which affects you, and it has not been resolved to your satisfaction, you may lodge a complaint with the Australian Financial Complaints Authority (AFCA):

Online: www.afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678

Mail: Australian Financial Complaints Authority,
GPO Box 3, Melbourne VIC 3001

AFCA is an independent body established by the Government to help members of super funds resolve complaints.

Financial information

As permitted under the *Corporations Act 2001*, abridged financial information of the fund is included in this annual report. You can request a copy of the audited financial statements and auditor's report at any time by contacting us on 1800 998 185.

Asgard Independence Plan – Division 2 Income statement for the year ended 30 June 2019

	2019	2018
	\$'000	\$'000
Superannuation activities		
Interest income	53,934	56,246
Dividend income	62,379	53,351
Distribution income	889,767	1,217,306
Net gains/(losses) on financial instruments held at fair value through profit or loss	525,254	552,627
Other income	17,806	24,392
Total net income	1,549,140	1,903,922
Trustee's fees and administration expenses	123,095	133,659
Cash administration and custody fees	21,547	25,371
Other expenses	10,149	11,915
Total expenses	154,791	170,945
Profit/(loss) from superannuation activities before income tax	1,394,349	1,732,977
Income tax expense/(benefit)	(79,939)	(14,295)
Profit/(loss) from superannuation activities after income tax	1,474,288	1,747,272
Less: net benefits allocated to members' accounts	(1,474,288)	(1,747,272)
Profit/(loss) after income tax	-	-

Asgard Independence Plan – Division 2
Statement of financial position as at 30 June 2019

	2019	2018
	\$'000	\$'000
Assets		
Cash and cash equivalents	851,035	813,428
Unsettled sales	42,448	37,707
Accrued income	10,941	17,451
Receivables	5,385	1,972
Financial assets held at fair value through profit or loss	22,077,830	22,175,943
Tax refund due	34,871	–
Total assets	23,022,510	23,046,501
Liabilities		
Payables	53,804	52,286
Income tax payable	–	37,937
Deferred tax liabilities	34,696	45,772
Total liabilities (excluding member benefits)	88,500	135,995
Net assets available for member benefits	22,934,010	22,910,506
Member benefits	22,934,010	22,910,506
Total net assets	–	–

Asgard Independence Plan – Division 2
Statement of changes in member benefits for the year ended 30 June 2019

	2019	2018
	\$'000	\$'000
Opening balance of member benefits	22,910,506	22,258,981
Employer contributions	599,853	617,575
Member contributions	395,135	375,528
Transfers from other funds	768,285	877,316
Superannuation co-contributions	4,001	4,589
Income tax on net contributions	(81,038)	(81,405)
Net after tax contributions	1,686,236	1,793,603
Benefit payments	(2,961,934)	(2,711,580)
Insurance premiums charged to members' accounts	(100,316)	(99,399)
Insurance benefits credited to members' accounts	41,836	48,497
Adviser fees	(119,973)	(126,868)
Refund of adviser fees	3,367	–
Net benefits allocated to members' accounts	1,474,288	1,747,272
Closing balance of member benefits	22,934,010	22,910,506

For more information

asgard.com.au

1800 998 185

PO Box 7490 Perth WA 6850

Asgard

ISSUED BY

BT Funds Management Limited

ABN 63 002 916 458

AFSL 233724

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