

# 2022–23 Trustee Annual Report

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This Trustee annual report ('report') was prepared by Avanteos Investments Limited ABN 20 096 259 979, AFSL 245531 (the 'Trustee', 'we', 'us', 'our', or 'AIL') on 18 December 2023. AIL is the trustee of and issuer of interests in the Avanteos Superannuation Trust ABN 38 876 896 681 (the 'Fund'). You should read this report in conjunction with your Member benefit statement. CFS Edge Super and Pension (the 'Service') are part of the Avanteos Superannuation Trust.

Colonial First State (CFS) is Superannuation and Investments HoldCo Pty Limited ABN 64 644 660 882 and its subsidiaries which include AIL and Colonial First State Investments Limited ABN 98 002 348 352, AFSL 232468 (CFSIL). CFS is majority owned by an affiliate of Kohlberg Kravis Roberts & Co. L.P. (KKR), with the Commonwealth Bank of Australia ABN 48 123 123 124, AFSL 234945 (CBA) holding a significant minority interest. The investment performance and the repayment of capital of AIL and CFSIL products is not guaranteed. Investments in AIL and/or CFSIL products are investment type products subject to investment risk, including possible delays in repayment, and loss of income and capital invested.

The Trustee has made every attempt to ensure the accuracy of the information included in this report and the Trustee has, in some cases, relied on information provided by third parties. The Trustee does not accept responsibility as to the accuracy and completeness of information provided from another source.

The information provided in this document is general information only and does not take into account your objectives, personal financial or taxation situation, or needs. Because of that, before acting on the information, you should consider its appropriateness having regard to these factors. You should talk to your adviser and obtain financial advice relevant to your personal circumstances, and you should consider the relevant Product Disclosure Statement, before making any decision to acquire, or continue to hold, an interest in the product.

AIL and CFSIL are not registered tax (financial) advisers under the Tax Agent Services Act 2009 (Cth), and you should seek tax advice from a registered tax agent or a registered tax (financial) adviser if you intend to rely on this information to satisfy the liabilities or obligations or claim entitlements that arise, or could arise, under a taxation law. Taxation considerations are general and based on present taxation laws, rulings and their interpretation as at 1 December 2023. You should seek independent, professional tax advice before making any decision based on this information.



Dear Member,

I am pleased to present the Trustee annual report for the financial year ended 30 June 2023 for CFS Edge Super and Pension which forms part of the Avanteos Superannuation Trust (the Fund).

CFS Edge is our brand-new product launched this year. CFS Edge offers access to an extensive range of investment options, comprehensive reporting and sophisticated tax management facilities, supported by industry-leading cyber security to keep your data safe. Our client portal and mobile app makes it easy to keep track of your investments. Your adviser can help you to build an investment portfolio aligned to your goals and needs.

In this report you will find information about product and regulatory changes that may affect your superannuation. You should read this document along with your Member benefit statement, which together make up your annual report.

If you have any queries about this Trustee annual report, please contact your adviser.

Yours sincerely,

Kelly Power  
Chief Executive Officer – Superannuation, Colonial First State  
Avanteos Investments Limited

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# Regulatory changes

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The information contained in the following sections is general information only and does not take into account your objectives, personal financial situation, or needs. You should assess whether the information is appropriate for you and talk to your adviser for further information. The information in this section is current as of 1 December 2023.

## Recent legislative changes to superannuation

The following are some key changes to superannuation legislation which have taken effect during 2022-23.

### End of the work test for acceptance of super fund contributions

Prior to 1 July 2022, you must have satisfied a work test (or alternatively qualify for a work test exemption) for your super fund to accept most types of voluntary superannuation contributions made while you are aged 67 to 74.<sup>1</sup>

From 1 July 2022, superannuation funds can accept all types of voluntary contributions from members in this age group without a work test or work test exemption (existing contributions caps still apply). This means there are no contributions, from 1 July 2022, that require you to meet a work test for the super fund trustee to accept the contribution.

However, from 1 July 2022, members aged 67 to 74<sup>1</sup> at the time of making a personal contribution, will need to satisfy a work test or work test exemption in the year of the contribution to be eligible to claim a tax deduction for their contribution. This is in addition to notifying the super fund, within required timeframes, that they intend to claim a tax deduction for the contribution.

### Increase in maximum age to use 'bring-forward rule'

The bring-forward rule may allow you to make up to \$330,000 in non-concessional contributions at one time, which is above the standard cap of \$110,000 per financial year (based on 2023-24 cap amount). If your total superannuation balance is \$1.9 million or more, just before the start of the financial year, your non-concessional contributions cap will be zero, and you don't have access to the bring-forward rule.

From 1 July 2022, the ability to use the bring-forward rule was extended to people under age 75 (up from age 67) at any time during the financial year.

It is important to note that your non-concessional contributions cap (including under the bring-forward rule) may also be reduced based on your total superannuation balance.

### Increased maximum releasable amount under the First Home Super Saver Scheme

Prior to 1 July 2022, a person could only apply to have up to \$30,000 of their eligible voluntary contributions, plus a deemed earnings amount, released from super to purchase their first home, under the First Home Super Saver Scheme (FHSSS).

From 1 July 2022, up to \$50,000 of eligible voluntary contributions, plus a deemed earnings amount, may be released from super to purchase a first home, under the FHSSS.

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<sup>1</sup> Age 74 includes the period up to 28 days after the end of the month in which you turn 75.

## Reduction of the eligibility age for downsizer contributions

The downsizer contribution allows people to make a one-off, after-tax contribution to super of up to \$300,000 from the proceeds of selling their home they have held for at least 10 years.

Under the rules both members of a couple can make downsizer contributions in respect of the same home, and the contributions do not count towards a member's non-concessional contributions caps.

Prior to 1 July 2022, you had to be aged 65 or over to make a downsizer contribution. Then during 2022-23 the minimum age to make a downsizer contribution reduced twice. On 1 July 2022 it reduced from 65 to 60. Then on 1 January 2023, it reduced again from 60 to 55.

## Removal of the \$450 per month minimum Super Guarantee threshold

From 1 July 2022, the \$450 per month minimum Super Guarantee income threshold has been removed. Prior to 1 July 2022, an employer was not required to pay Super Guarantee contributions for an employee who earned less than \$450 per month.

## Minimum payments for certain pensions temporarily reduced

In 2019-20 the minimum draw-down requirement for account based pensions (including transition to retirement pensions) was temporarily reduced by 50%. This reduction was then further extended to the 2020-21, 2021-22 and 2022-23 financial years. However, from 1 July 2023 the temporary reduction ceased and the minimum draw-down requirement reverted to the standard minimum percentage factors. See Figure 1 below.

The minimum payment for term allocated pensions was also temporarily reduced by 50% for the 2019-20 to 2022-23 financial years which allowed you to choose a pension payment of between 45% and 110% of the calculated amount. From 1 July 2023, the standard minimum pension payment rules apply, which means you can choose a pension payment of between 90% and 110% of a standard calculated amount.

Figure 1

Age	Standard minimum percentage factor	Reduced minimum percentage factor (2019-20 to 2022-23 financial years)
Under 65	4%	2%
65 to 74	5%	2.5%
75 to 79	6%	3%
80 to 84	7%	3.5%
85 to 89	9%	4.5%
90 to 94	11%	5.5%
95 or over	14%	7%

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## Proposed changes to superannuation

The following are some key future changes to superannuation legislation which have been announced by the government, but as at 1 December had not become law.

### **Additional 15% tax on earnings from super balances exceeding \$3 million**

On 28 February 2023, the Treasurer announced from the 2025–26 financial year, the concessional tax rate applied to future earnings on balances above \$3 million will be 30% (rather than the standard concessional rate of 15% on accumulation balances).

Earnings relating to assets below the \$3 million threshold will continue to be taxed at 15 per cent or will be tax-free if derived from assets supporting a retirement phase income stream, such as an account-based pension.

This announcement requires the passage of legislation through Parliament and is not yet law.

### **Requiring employers to pay Superannuation Guarantee (SG) at the same time as salary and wages**

In May 2023, the government announced in the federal budget that employers will be required to pay their employee's SG entitlements at the same time as their salary and wages from 1 July 2026.

Currently, employers are required to pay their employees' superannuation guarantee contributions on a quarterly basis.

The government says that this proposal will make it easier for employees to keep track of their payments and increase their overall retirement benefit.

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# Product changes

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Below is a summary of recent product changes that occurred during the 2022–23 financial year.

## CFS Edge is now live!

Welcome! Our new platform, CFS Edge is now live. CFS Edge is part of CFS's technology investment to reimagine wealth products and services, we've redefined platform technology to bring you and your adviser a transformative experience years ahead of anything in the Australian market. We're so glad that you are a part of the revolution as we bring you market leading products and services to help you reach your financial goals.

## Your new CFS Edge account

CFS Edge has been designed to provide you and your adviser with an effective and efficient means to manage your total portfolio and make the most of your investments.

Your adviser plays an important role in helping you manage your personalised financial plan. Your adviser can:

- help you maintain your personalised investment strategy and advise you on how to manage your CFS Edge account
- advise you on which investments are right for you
- direct the administrator to perform certain transactions on your CFS Edge account
- keep track of how your funds are invested
- monitor the performance and generate insights for your account
- generate reporting on your CFS Edge account.

## CFS Edge investor access

CFS Edge investor access provides you continuous up-to-date information and a range of comprehensive reporting options for all your CFS Edge accounts.

As more exciting features and benefits become available to you, we'll notify you via this channel. Please stay tuned for more information to come. To access your account information, navigate to [investor.cfsedge.com.au](https://investor.cfsedge.com.au).

## Significant events (summary of material changes)

Access a summary of each significant event or notices regarding material changes that may impact you at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge) (Member information> Significant event notices – CFS Edge).

## Responsible Investment policy and voting policy

We replaced the existing reference to the Trustee Responsible Investment and voting policy which are policies that have been created for AIL to incorporate Environmental, Social and Governance (ESG) and Climate change factors in investment decisions and active ownership.

The Trustee's voting policy is explained within the following policy:

'AIL Responsible Investment policy' found at [cfs.com.au/content/dam/cfs-winged/documents/about-us/corporate-governance/AIL-Responsible-Investment-Policy.pdf](https://cfs.com.au/content/dam/cfs-winged/documents/about-us/corporate-governance/AIL-Responsible-Investment-Policy.pdf)

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## CFS Edge mobile app

Accessing your CFS Edge account(s) on the go is even easier with the CFS Edge mobile app. Through the app you can:

- view your CFS Edge super, pension and eligible investments accounts
- get a full view of how your money is invested
- stay up to date with all the activity on your account.

You can download the app from the App Store or Google Play. You can also find out more information about the CFS Edge app at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge)

### **Do we have your current email address and mobile number?**

By having your email address and mobile number on record, we can contact you quickly and communicate more effectively with you. You can update your records via your adviser, by calling us on 1300 769 619, or by logging into the CFS Edge Client portal.



# Investment information

## Investments

For a full list of investments refer to the Investment List available at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge) under 'Offer documents'.

## Investment performance information

Information about investment performance can be found in your Member benefit statement. This information has been tailored to the specific assets you held at 30 June 2023. If you would like to know more about the performance of the investment options available in CFS Edge, please speak to your adviser.

## Standard risk measures

To allow you to compare investment options, we have provided standard risk measures showing the estimated number of negative annual returns over any 20-year period for each investment category.

The Standard Risk Measure (SRM) is based on industry guidance, however, its not a complete assessment of all forms of investment risk; for instance, it does not detail the potential size of a negative return nor the possibility that a positive return is less than an investor's investment objectives. Also, it does not take into account the impact of administration fees, tax or the likelihood of a negative return or an investor's personal needs and financial situation.

You should still ensure you are comfortable with the risks and potential losses associated with your chosen investment option(s). The SRM is not personal advice and you should regularly review your investment decision with your adviser. Figure 2 below outlines the labelling of risk measures and categories.

These risk labels can be found in the Investment Category tables on the following pages.

## Investments with a market value of over 5% of the Service

As at 30 June 2023, the combination of investments that had a combined value in excess of five per cent of the total assets of the Service were held in the following enterprises:

- PM Capital Limited (7%)
- Vanguard Investments Australia Ltd (15%)
- Commonwealth Bank of Australia (41%)

The above holdings may be made up of several investments including cash deposits, term deposits and listed securities.

In addition, as at 30 June 2023, the Trustee held more than five per cent of the total assets of the Service in the following investment:

- Commonwealth Bank Australia Cash (41%)

Figure 2

Risk	Risk label	Estimated number of negative annual returns over any 20-year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

## Other important information you should know

The Trustee does not guarantee your investment in the Fund, nor any income or the rate of return. The value of your account rises or falls depending on the performance of the investments selected.

The Trustee strongly recommends you consult with your adviser when formulating an investment strategy to ensure that it fits with your investment objectives.

The Trustee does not specifically take into account labour standards or environmental, social or ethical considerations when making investments available. However, where those factors negatively impact investment performance or company stability, we may consider these factors to the extent that they impact on an investment manager's organisational stability, reputation and performance. We may discuss these matters with company management and/or review our decision to hold the specific investment. Reviews are on a case-by-case basis as such factors arise. We do not use any specific methodology for such reviews or have pre-determined views about the extent to which such factors will be taken into account in a review. Each investment manager may have its own policy on the extent to which labour standards or environmental, social or ethical considerations are taken into account when making investment decisions. Some investment options do take one or more of these factors into account, and the investment's product disclosure document will outline the extent to which these factors are taken into account. These policies are not specifically considered in making investments available.

## Maintaining reserves

The Trustee has established a general reserve account primarily to be used to fund members' requests for rollovers or transfers (whether partial or whole), pension payments and some categories of benefit payments, including severe financial hardship and compassionate grounds, where the amount requested is attributable to a suspended investment option of the Fund that cannot be redeemed at the time of request, and is below the materiality threshold. The materiality threshold for the Fund is that the member's holding in the suspended investment is to be less than \$6,000.

The Trustee holds the general reserve monies within the Fund's cash account. Figure 3 outlines the movements in the reserve over each of the last three financial years.

**Figure 3**

### Avanteos Superannuation Trust

	30/06/2023 \$'000	30/06/2022 \$'000	30/06/2021 \$'000
Opening balance as at 1 July	146	132	8
Net transfers to/from equity	—	14	—
Operating result	6	—	124
Closing balance as at 30 June	152	146	132

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# Investment categories

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The following pages contain summary descriptions of each of the investment categories available to investors in CFS Edge. These descriptions include the investment objective of each category but you should be aware that actual returns may be positive or negative.

The Investment List contains more information on the investment options under each category. You should speak with your adviser for further information on any of these categories or to obtain a copy of the Investment List. The Investment List is also available online at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge) under 'Offer documents' or by contacting us on 1300 769 619.

## Fund investment strategies and objectives

The Trustee formulates and gives effect to investment strategies and objectives for the Fund. These strategies and objectives take into account the whole of the circumstances of the Fund, including investment risk, diversification, liquidity and the ability of the Fund to discharge liabilities.

The Trustee has recommended investment guidelines to encourage diversification, ensure adequate liquidity and satisfy regulatory requirements. In line with our obligations, the Trustee reviews the investment strategies and applicable guidelines on a regular basis.

Please contact your adviser for further information on these guidelines or refer to the Investment List.

The investment strategy of the Fund is to provide a range of investment categories that are relevant for your Fund (or plan/subsection). The Trustee makes available to members a broad range of investment options within the investment categories. Members can achieve suitable diversification within an investment choice environment by selecting a combination of investment options across multiple asset classes.

## Holding restrictions

The Trustee may need to comply with substantial holding restrictions on individual listed securities from time to time, for example, if holdings within an individual security exceed a certain percentage. The restriction will be lifted if and when capacity becomes available. Pending transactions will then be allocated on a first-in basis and new purchases will be accepted.

## Investment review 2023

The Trustee conducts an annual review of all the investment categories and ASX listed shares available in the Fund. Managed investment schemes are reviewed quarterly.

The review is conducted with the assistance of research providers and external consultants with the results presented to the Trustee's Board Investment Committee for consideration.

Once the review of investments currently available in the Fund is complete, a list of any investments removed by the Trustee will be available electronically via the Investment News link on our website at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge)

In the event you hold investments in your investment portfolio that are outside the list of investments currently available, we may contact you or your adviser and request these investments be sold. If we do not hear from you or your adviser, we may sell your holdings that are outside the list of available investments and deposit the proceeds into your cash account.

## Additional diversification guidelines

In addition to the diversification guidelines for the listed Australian securities and listed interest rate securities investment categories outlined above, the Trustee has also determined:

- a maximum holding of 20 per cent in any security within the S&P/ASX300, and
- a maximum holding of five per cent in any single security outside the S&P/ASX300, unless a higher guideline has been approved by the Trustee.

The Trustee also imposes a guideline of five per cent on unlisted investments, excluding fixed interest products.

## Derivatives

The Trustee does not, and does not intend to offer derivative instruments (as defined by the Superannuation Industry (Supervision) Act 1993) on the approved product list for direct investment. External investment managers may use derivatives in managing pooled investment vehicles in which the member may invest. In such cases this will be included in the investment manager's disclosure document which members receive prior to investing. Company issued options may be issued to investors holding ASX listed securities and the Trustee will allow members to hold these units within their account on the platform.

## Cash and Deposits

Return objective	To earn returns that match headline CPI increases over rolling one-year periods		
Investment strategy	Investment options offered will typically benchmark with reference to the Bloomberg AusBond Bank Bill Index		
Representative asset allocation range	<b>Asset class</b> Cash	<b>Allocation benchmark</b> 100%	<b>Allocation ranges</b> 0–100%
Types of investments	Term deposits and money market funds		
Risk label	Very low		
Investment timeframe	No minimum		
Allocation to growth assets	0%		

## Enhanced Cash

Return objective	To earn returns that exceed headline CPI increases by at least 0.25% p.a. over rolling one-year periods		
Investment strategy	Investment options offered will typically benchmark with reference to the Bloomberg AusBond Bank Bill Index plus 0.5–1%		
Representative asset allocation range	<b>Asset class</b> Cash Australian fixed interest	<b>Allocation benchmark</b> 80% 20%	<b>Allocation ranges</b> 60–100% 0–40%
Types of investments	Funds investing in money market funds and some fixed interest securities		
Risk label	Very low		
Investment timeframe	1 year		
Allocation to growth assets	0%		

## Australian Fixed Interest

Return objective	To earn returns that exceed headline CPI increases by at least 0.5% p.a. over rolling three-year periods		
Investment strategy	Investment options offered will typically benchmark with reference to a Bloomberg AusBond Composite Bond Index (All Maturities)		
Representative asset allocation range	<b>Asset class</b>	<b>Allocation benchmark</b>	<b>Allocation ranges</b>
	Australian fixed interest	100%	80–100%
	Cash	0%	0–20%
Types of investments	Funds investing predominantly in domestic fixed interest securities including government, corporate and structured investments		
Risk label	Medium to high		
Investment timeframe	3+ years		
Allocation to growth assets	0%		

## Diversified Fixed Interest

Return objective	To earn returns that exceed headline CPI increases by at least 0.5% p.a. over rolling three-year periods		
Investment strategy	Investment options offered will typically benchmark with reference to a global bond index such as the Citigroup World Government Bond Index (hedged to \$A) or the Barclays Global Aggregate (hedged to \$A)		
Representative asset allocation range	<b>Asset class</b>	<b>Allocation benchmark</b>	<b>Allocation ranges</b>
	International fixed interest	100%	80–100%
	Cash	0%	0–20%
Types of investments	Funds investing in global fixed interest securities (or a combination of global and domestic) including government, corporate and structured investments		
Risk label	Medium to high		
Investment timeframe	3+ years		
Allocation to growth assets	0%		

## Short Duration Fixed Interest

Return objective	To earn returns that exceed headline CPI increases by at least 1.5% p.a. over rolling three-year periods		
Investment strategy	Investment options offered will typically benchmark with reference to the Bloomberg AusBond Bank Bill Index plus 1-2%		
Representative asset allocation range	<b>Asset class</b>	<b>Allocation benchmark</b>	<b>Allocation ranges</b>
	Cash and fixed interest	100%	0–100%
Types of investments	Funds investing in domestic and/or global fixed interest securities with an absolute return focus, lower risk and minimal duration, typically investing to a cash plus 1–2% target		
Risk label	Medium		
Investment timeframe	3+ years		
Allocation to growth assets	0%		

## Alternative Income

Return objective	To earn returns that exceed headline CPI increases by at least 2% p.a. over rolling three-year periods		
Investment strategy	Investment options offered will typically benchmark with reference to the Bloomberg AusBond Bank Bill Index plus 2–5%		
Representative asset allocation range	<b>Asset class</b> Cash, fixed interest and equities	<b>Allocation benchmark</b> 100%	<b>Allocation ranges</b> 0–100%
Types of investments	Funds looking to generate a level of income, predominantly through investment in domestic and/or global fixed interest securities but also through certain income producing equities and alternatives, typically with an absolute return target with higher risk and expected return than short duration fixed interest		
Risk label	Medium to high		
Investment timeframe	3+ years		
Allocation to growth assets	0–30%		

## Defensive

Return objective	To earn returns that exceed headline CPI increases by at least 0.5% p.a. over rolling three-year periods		
Investment strategy	Investment options offered will typically represent traditional multi-sector funds with 0–20% in growth assets		
Representative asset allocation range	<b>Asset class</b> Australian shares International shares Property/Infrastructure Fixed interest Cash	<b>Allocation benchmark</b> 5% 3% 2% 50% 40%	<b>Allocation ranges</b> 0–10% 0–10% 0–10% 40–80% 20–50%
Types of investments	Funds with between 0–20% in growth assets		
Risk label	Low to medium		
Investment timeframe	3+ years		
Allocation to growth assets	0–20%		

## Conservative

Return objective	To earn returns that exceed headline CPI increases by at least 1% p.a. over rolling three-year periods		
Investment strategy	Investment options offered will typically represent traditional multi-sector funds with between 21-40% in growth assets		
Representative asset allocation range	<b>Asset class</b>	<b>Allocation benchmark</b>	<b>Allocation ranges</b>
	Australian shares	12%	5-20%
	International shares	12%	5-20%
	Property/Infrastructure	6%	0-15%
	Fixed interest	30%	15-50%
	Cash	40%	20-50%
Types of investments	Funds with between 21-40% in growth assets		
Risk label	Medium		
Investment timeframe	3+ years		
Allocation to growth assets	21-40%		

## Moderate

Return objective	To earn returns that exceed headline CPI increases by at least 2.5% p.a. over rolling five-year periods		
Investment strategy	Investment options offered will typically represent traditional multi-sector funds with between 41-60% in growth assets		
Representative asset allocation range	<b>Asset class</b>	<b>Allocation benchmark</b>	<b>Allocation ranges</b>
	Australian shares	18.5%	10-30%
	International shares	17.5%	10-30%
	Property/Infrastructure	9%	0-20%
	Alternatives (growth)	5%	0-20%
	Fixed interest	30%	15-45%
	Cash	20%	10-30%
Types of investments	Funds with between 41-60% in growth assets		
Risk label	Medium to high		
Investment timeframe	5+ years		
Allocation to growth assets	41-60%		

## Growth

Return objective	To earn returns that exceed headline CPI increases by at least 3% p.a. over rolling five-year periods		
Investment strategy	Investment options offered will typically represent traditional multi-sector funds with between 61-80% in growth assets		
Representative asset allocation range	<b>Asset class</b>	<b>Allocation benchmark</b>	<b>Allocation ranges</b>
	Australian shares	26%	15-40%
	International shares	27%	15-40%
	Property/Infrastructure	12%	0-20%
	Alternatives (growth)	5%	0-20%
	Fixed interest	25%	15-40%
	Cash	5%	0-10%
Types of investments	Funds with between 61-80% in growth assets		
Risk label	High		
Investment timeframe	5+ years		
Allocation to growth assets	61-80%		

## High Growth

Return objective	To earn returns that exceed headline CPI increases by at least 4% p.a. over rolling seven-year periods		
Investment strategy	Investment options offered will typically represent traditional multi-sector funds with greater than 80% in growth assets		
Representative asset allocation range	<b>Asset class</b>	<b>Allocation benchmark</b>	<b>Allocation ranges</b>
	Australian shares	40%	25-50%
	International shares	40%	25-50%
	Property/Infrastructure	10%	0-20%
	Fixed interest	5%	0-10%
	Cash	5%	0-20%
Types of investments	Funds with between 81-100% in growth assets		
Risk label	High		
Investment timeframe	7+ years		
Allocation to growth assets	81-100%		



## Diversified Real Return

Return objective	To earn returns that exceed headline CPI increases by at least 2.5% p.a. over rolling five-year periods
Investment strategy	Investment options offered will typically benchmark with reference to a premium over CPI or cash
Representative asset allocation range	The strategies in this category do not manage to a specific allocation and demonstrate a wide range
Types of investments	Funds with a flexible allocation to growth assets and typically with an absolute return target
Risk label	High
Investment timeframe	5+ years
Allocation to growth assets	Varies over time

## Australian Share

Return objective	To earn returns that exceed headline CPI increases by at least 3% p.a. over rolling five-year periods		
Investment strategy	Investment options offered will typically benchmark with reference to the S&P/ASX 300 Accumulation Index		
Representative asset allocation range	<b>Asset class</b>	<b>Allocation benchmark</b>	<b>Allocation ranges</b>
	Australian shares	100%	80–100%
	Cash	0%	0–20%
Types of investments	Australian shares all capitalisation, typically long only		
Risk label	Very high		
Investment timeframe	7+ years		
Allocation to growth assets	100%		

## Australian Share – Small Companies

Return objective	To earn returns that exceed headline CPI increases by at least 3.5% p.a. over rolling five-year periods		
Investment strategy	Investment options offered will typically benchmark with reference to the S&P/ASX Small Ordinaries Accumulation Index		
Representative asset allocation range	<b>Asset class</b>	<b>Allocation benchmark</b>	<b>Allocation ranges</b>
	Australian small cap shares	100%	80–100%
	Cash	0%	0–20%
Types of investments	Australian small companies, typically long only		
Risk label	Very high		
Investment timeframe	7+ years		
Allocation to growth assets	100%		

## Global Share

Return objective	To earn returns that exceed headline CPI increases by at least 2.5% p.a. over rolling five-year periods		
Investment strategy	Investment options offered will typically benchmark with reference to the MSCI World ex-Australia Index (in \$A)		
Representative asset allocation range	<b>Asset class</b>	<b>Allocation benchmark</b>	<b>Allocation ranges</b>
	International shares	100%	80–100%
	Cash	0%	0–20%
Types of investments	Global shares fund, typically long only. Also include funds that have an ESG focus or hold short positions that are not fundamental to their investment process.		
Risk label	Very high		
Investment timeframe	7+ years		
Allocation to growth assets	100%		

## Global Share – Emerging Markets

Return objective	To earn returns that exceed headline CPI increases by at least 3% p.a. over rolling five-year periods		
Investment strategy	Investment options offered will typically benchmark with reference to the MSCI Emerging Markets Index or the MSCI Asia ex-Japan Index		
Representative asset allocation range	<b>Asset class</b>	<b>Allocation benchmark</b>	<b>Allocation ranges</b>
	Emerging market equities	100%	80–100%
	Cash	0%	0–20%
Types of investments	Funds invested in emerging markets		
Risk label	Very high		
Investment timeframe	7+ years		
Allocation to growth assets	100%		

## Specialist Share

Return objective	To earn returns that exceed headline CPI increases by at least 2.5% p.a. over rolling five-year periods		
Investment strategy	Investment options offered will typically benchmark with reference to the relevant sector component index of the MSCI or S&P/ASX		
Representative asset allocation range	<b>Asset class</b>	<b>Allocation benchmark</b>	<b>Allocation ranges</b>
	Shares	100%	80–100%
	Cash	0%	0–20%
Types of investments	Funds investing in specific sectors or regions, global small companies or long/short strategies		
Risk label	Very high		
Investment timeframe	7+ years		
Allocation to growth assets	100%		

## Lower Volatility Share

Return objective	To earn returns that exceed headline CPI increases by at least 2.5% p.a. over rolling five-year periods		
Investment strategy	Investment options offered will typically benchmark with reference to the S&P/ASX 300 Accumulation Index or the MSCI World ex-Australia Index (in \$A)		
Representative asset allocation range	<b>Asset class</b>	<b>Allocation benchmark</b>	<b>Allocation ranges</b>
	Shares	100%	80–100%
	Cash	0%	0–20%
Types of investments	Funds managed with a low volatility objective relative to shares, using quantitative techniques, equities option overlays or variable allocations to cash		
Risk label	High		
Investment timeframe	7+ years		
Allocation to growth assets	100%		

## Gearred Funds

Return objective	To earn returns that exceed headline CPI increases by at least 4% p.a. over rolling five-year periods		
Investment strategy	Investment options offered will typically benchmark with reference to the S&P/ASX 300 Accumulation Index or the MSCI World ex-Australia Index (in \$A)		
Representative asset allocation range	<b>Asset class</b>	<b>Allocation benchmark</b>	<b>Allocation ranges</b>
	Gearred shares	100%	80–100%
	Cash	0%	0–20%
Types of investments	Funds typically invested in Australian, global equities or other listed securities whilst using gearing		
Risk label	Very high		
Investment timeframe	7+ years		
Allocation to growth assets	100%		

## Australian Property and Infrastructure

Return objective	To earn returns that exceed headline CPI increases by at least 2% p.a. over rolling five-year periods		
Investment strategy	Investment options offered will typically benchmark with reference to the S&P/ASX Property Accumulation Index or relevant infrastructure index		
Representative asset allocation range	<b>Asset class</b>	<b>Allocation benchmark</b>	<b>Allocation ranges</b>
	Property/Infrastructure	100%	80–100%
	Cash	0%	0–20%
Types of investments	Funds investing into Australian property and/or infrastructure securities		
Risk label	Very high		
Investment timeframe	7+ years		
Allocation to growth assets	100%		

## Global Property and Infrastructure

Return objective	To earn returns that exceed headline CPI increases by at least 2% p.a. over rolling five-year periods		
Investment strategy	Investment options offered will typically benchmark with reference to the FTSE EPRA/NAREIT Developed Index (hedged to \$A) or FTSE Global Core Infrastructure 50/50 Index (hedged to \$A)		
Representative asset allocation range	<b>Asset class</b> Property/Infrastructure Cash	<b>Allocation benchmark</b> 100% 0%	<b>Allocation ranges</b> 80–100% 0–20%
Types of investments	Funds investing into global property and/or infrastructure securities		
Risk label	High to very high		
Investment timeframe	7+ years		
Allocation to growth assets	100%		

## Alternatives

Return objective	To deliver consistent medium-term returns with low correlation to broad equity and fixed income markets by investing in both traditional and non-traditional asset classes		
Investment strategy	Investment options target either a specific level of return in excess of a hurdle rate return or a specific alternative asset index		
Representative asset allocation range	Due to the wide variation in the types of funds, there is no structured asset allocation, with a range of strategies used to achieve their strategy benchmark		
Types of investments	Funds may include, but are not limited to, absolute return funds, diversified hedge funds, global macro funds, commodity trading and currency funds		
Risk label	Medium to high, to Very high		
Investment timeframe	5+ years		
Allocation to growth assets	N/A		

## Listed Australian Securities

Return objective	To provide investors with a growth investment return from exposure to companies listed on the ASX. This strategy may provide additional returns by investing in Australian companies which declare partially or fully franked dividends		
Investment strategy	Investors using this strategy classification can expect to experience short to medium-term fluctuation in the value of their investment – there is a high likelihood of a negative return in a given short-term investment period		
Representative asset allocation range	Listed Australian securities 100%		
Types of investments	Australian listed securities, listed property trusts, listed investment companies and other listed securities as deemed appropriate by the RSE Trustee		
Risk label	Very high		
Investment timeframe	7+ years		

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## Listed Interest Rate Securities

Return objective	To provide investors with a regular income stream above the cash rate over the short to medium term
Investment strategy	Suitable for investors seeking a regular income yield above the cash rate and short to medium-term volatility in their capital value
Representative asset allocation range	Australian fixed interest 100%
Types of investments	Income securities, corporate bonds, floating rate notes and hybrid securities
Risk label	Very high
Investment timeframe	7+ years

# Financial statements

The financial information included in this section relates to the Fund and is not a reflection of the performance of your individual account. Information regarding your individual portfolio and the associated performance can be found in your Member benefit statement.

Please note that these financial statements are an abridged version of the financial statements of the Fund. If you would like a full copy of the audited financial statements, please contact us.

## Statement of financial position

### Avanteos Superannuation Trust

As at 30 June 2023

	2023 \$'000	2022 \$'000
<strong>Assets</strong>		
Cash and cash equivalents	1,038,121	1,049,773
Receivables	177,313	310,470
Income tax receivable	6,767	-
Financial investments	10,678,700	9,636,803
Deferred tax asset	-	13,446
<strong>Total assets</strong>	<strong>11,900,901</strong>	<strong>11,010,492</strong>
<strong>Liabilities</strong>		
Benefits payable	295	2
Other payables	20,967	16,891
Income tax payable	-	11,152
Deferred tax liabilities	22,833	-
<strong>Total liabilities excluding member benefits</strong>	<strong>44,095</strong>	<strong>28,045</strong>
<strong>Net assets available for member benefits</strong>	<strong>11,856,806</strong>	<strong>10,982,447</strong>
Defined contribution member liabilities	11,856,654	10,982,301
<strong>Total net assets</strong>	<strong>152</strong>	<strong>146</strong>
<strong>Equity</strong>		
Reserve	152	146
<strong>Total equity</strong>	<strong>152</strong>	<strong>146</strong>

## Income statement

### Avanteos Superannuation Trust

For the year ended 30 June 2023

	2023 \$'000	2022 \$'000
<b>Superannuation activities</b>		
Interest revenue	43,690	8,091
Dividend revenue	76,607	87,329
Distribution income	290,168	421,538
Net changes in fair value of financial investments	561,063	(1,273,964)
Other income	19,374	2,848
<b>Total income</b>	<b>990,902</b>	<b>(754,158)</b>
Investment expenses	(2,591)	(2,322)
Administration expenses	(39,029)	(31,912)
Adviser service expenses	(67,670)	(68,771)
Other expenses	(775)	(734)
<b>Total expenses</b>	<b>(110,065)</b>	<b>(103,739)</b>
<b>Results from superannuation activities before income tax expense</b>	<b>880,837</b>	<b>(857,897)</b>
Income tax benefit/(expense)	13,722	63,879
<b>Results from superannuation activities after income tax expense</b>	<b>894,559</b>	<b>(794,018)</b>
Net benefits allocated to defined contribution members	(894,559)	794,018
<b>Operating result after income tax</b>	<b>-</b>	<b>-</b>

## Statement of changes in member benefits

### Avanteos Superannuation Trust

For the year ended 30 June 2023

	2023 \$'000	2022 \$'000
Opening balance of member benefits	10,982,301	11,452,374
Member contributions	604,033	442,643
Employer contributions	114,142	105,092
Transfers from other superannuation funds	840,785	1,100,606
Transfers to other superannuation funds	(741,369)	(666,585)
Income tax on contributions	(29,836)	(27,790)
<b>Net after tax contributions</b>	<b>787,755</b>	<b>953,966</b>
Benefits to members or beneficiaries	(805,600)	(627,683)
Death and disability benefits credited to member accounts	1,108	940
Insurance premiums charged to members	(3,469)	(3,278)
Net benefits allocated comprising:		
- Net investment income	1,004,624	(690,279)
- Net administration fees	(42,395)	(34,968)
- Adviser service fees	(67,670)	(68,771)
<b>Closing balance of member benefits</b>	<b>11,856,654</b>	<b>10,982,301</b>



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# General information

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## Insurance

You have the option to take out insurance cover in addition to your investments. The following insurance benefits are available:

- Life, payable on death or terminal illness
- Total and Permanent Disablement
- Income Protection.

For more information about your insurance options, or to find out about retail insurance options available, please speak to your adviser.

## Indemnity insurance

The Trustee is covered by indemnity insurance in relation to its responsibilities under CFS Edge Super and Pension. The directors and the Trustee and its associated companies are covered by indemnity insurance in excess of \$20 million.

## General superannuation information

You can obtain further general information on superannuation via the ATO website at [www.ato.gov.au/Individuals/Super](http://www.ato.gov.au/Individuals/Super)

## Unclaimed money, lost members and inactive accounts

### Unclaimed money and lost members

We are required to pay your account balance to the ATO if:

- you are 65 years or older, we have not received a contribution or rollover to your account in two years, and we have been unable to contact you after making reasonable efforts for five years
- your account is subject to a family law payment split, but after making reasonable efforts and a reasonable period of time has passed, we are unable to identify the ex-spouse entitled to the super benefit
- you are deceased, we have not received a contribution or rollover to your account in the past two years, and we can't (after reasonable attempts and a reasonable period of time) identify a person entitled to your super benefit
- you are a lost member and either:
- your account balance is less than \$6,000; or
- we have not received a contribution or rollover to your account in the last 12 months, and we do not have enough information to identify you and would not be able to pay an amount to you.

You will be a lost member where:

- at least one written communication has been sent back to us undelivered and we believe on reasonable grounds you can no longer be contacted at any address known to us, or we've never had an address for you, and we have not received a contribution or rollover to your account within the last 12 months and you have not contacted the Fund or accessed information about your account electronically within the last 12 months of your membership, or
- you joined the Fund as a result of an agreement between your employer and the Trustee of the Fund, and you have been a member of the Fund for longer than two years, and the Fund has not received a contribution or rollover to your account in five years.

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We may also voluntarily pay your account balance to the ATO when the above conditions have not been met, if we reasonably believe paying the amount to the ATO is in your best interests.

If your account balance is transferred to the ATO, you will no longer be a member of the Service and you will lose any insurance cover. You will also no longer be invested in your chosen investment option(s). Interest will accrue on your account balance from the time it is paid to the ATO. You may claim your benefit by contacting the ATO on 13 10 20 or downloading a form from its website [www.ato.gov.au](http://www.ato.gov.au).

### Inactive accounts with a low account balance

If your account has no insurance cover, your account balance is below \$6,000, you have not met an eligible condition of release, and we have not received a contribution or rollover to your account for a continuous period of 16 months (inactive low balance account), we are required by law to report and transfer your account to the Australian Taxation Office (ATO).

Your account will no longer be considered inactive and will not be transferred to the ATO, if for example, during the 16-month period you have changed your investment options, changed your insurance cover, made or altered a binding beneficiary nomination, or instructed us not to transfer your inactive low balance account to the ATO.

We will report on and transfer inactive low balance accounts to the ATO twice a year, in accordance with legislated timeframes. The ATO will transfer your balance to your active super account, where possible.

## Temporary residents

If you are a temporary Australian resident, you can only receive a superannuation benefit in limited circumstances.

You are entitled to a Departing Australia Superannuation Payment (DASP) benefit equal to your account balance (less tax and any applicable charges), if:

- you entered Australia on a temporary visa
- you are not an Australian or New Zealand citizen, permanent resident in Australia or the holder of a 405 (investor retirement) or 410 (retirement) visa
- you leave Australia
- your temporary visa has ceased to have effect.

Tax is withheld by the Fund from the taxable component of a DASP benefit. More information is available on the ATO website [www.ato.gov.au/super](http://www.ato.gov.au/super)

If you are a temporary resident, you may only otherwise be paid the following super benefits from CFS Edge:

- a death benefit
- a terminal illness benefit
- a permanent or temporary incapacity benefit
- the payment of a release authority (for example, for the release of excess contributions).

You will not be considered a temporary resident if you:

- are an Australian or New Zealand citizen
- are a permanent resident of Australia
- hold a 405 or 410 retirement visa, or
- have never held a temporary visa for Australia.

You should speak with your adviser or tax specialist about the tax that may apply to your superannuation benefits.

If you have not requested a DASP benefit within six months of the later of your temporary visa expiring and you leaving the country or if you commence a pension when you are not in fact entitled to, we may be required to pay your account balance to the ATO. In these circumstances, you will no longer be a member of CFS Edge and entitled to your pension.

You will lose any insurance cover you may have had. You will also no longer be invested in your chosen investment option(s).

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We rely upon ASIC Corporations Unclaimed Superannuation – Former Temporary Residents Instrument 2019/873, which releases us from the requirement to notify you or give you an exit statement upon transferring your benefit to the ATO. If your account balance has been transferred to the ATO, you may claim your benefit including interest that accrues from the time it is paid to the ATO by completing the DASP online application at [www.ato.gov.au](http://www.ato.gov.au)

## Working Holiday Makers

Departing Australia Superannuation Payments (DASPs) made to Working Holiday Makers are taxed at a different rate to those paid to other temporary residents.

You are classified as a Working Holiday Maker where you hold or have held a 417 Working Holiday visa or a 462 Work and Holiday visa. Please refer to your adviser or the ATO website for further information.

## Member benefit statement

You would have recently received your Member benefit statement. You may have noticed that the statement does not include transactions for 30 June 2023 fund earnings tax. Transactions for 30 June 2023 fund earnings tax will appear in next year's statement.

## Allocation of earnings into members' accounts

Income or interest received from each underlying investment within the Fund will be allocated to your account in proportion to your holding in that investment.

In certain situations, we may not be able to apply a contribution until required information or documentation is received. In these situations, we will hold the contribution in an interest bearing applications account until:

- the date we receive the required information or documentation; or
- a maximum of 28 days from the date of receipt of the contribution in which event, we will return the contribution to the source of payment. In the meantime, we will attempt to contact you and/or your adviser.

## Information about the Trustee

The Trustee of the Fund is Avanteos Investments Limited (AIL).

The Trustee is responsible for all matters concerning the management, operation and administration of the Fund, including compliance with applicable legislation.

The Trustee was appointed pursuant to the Trust Deed that governs the Avanteos Superannuation Trust including CFS Edge Super and Pension and holds RSE licence L0002691 issued by APRA. The terms of the Trust Deed prevail to the extent of any inconsistency with the offer documents or other Fund communications.

The Trustee has an Australian Financial Services Licence (Number 245531) issued by the Australian Securities & Investments Commission. The licence, among other things, authorises the Trustee to issue, apply for, vary and dispose of interests in the Fund.

The Trustee does not give advice in relation to investments in the Fund.

No penalties have been imposed on the Trustee under section 38A of the *Superannuation Industry (Supervision) Act 1993* or section 182 of the *Retirement Savings Accounts Act 1997*.

## Fees charged by the Trustee

Please refer to the PDS for information on the fees charged and your Member benefit statement for the actual fees charged on your account. Fees are charged on a particular basis arranged with your adviser when you joined the Service. The PDS is available via [cfs.com.au/cfsedge](http://cfs.com.au/cfsedge) under 'Products' on the main page or under 'Forms and disclosure' > 'Member information' > 'CFS Edge' > 'Offer documents'

We may at our discretion reduce or waive any of the fees and costs disclosed in the PDS.

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## Information about the Fund

You can access the following information at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge):

- the latest Product Disclosure Statement, any Product updates (found under 'Products' on the main page or under 'Forms and disclosure' > 'Member information' > 'CFS Edge' > 'Offer documents') and the Financial Services Guides (found under 'Other related disclosure documents' > 'Disclosure')
- the Trustee Annual Report (under 'Annual reporting')
- other product related information (under 'Forms and disclosure' > 'Member Information')
- the Annual Member Outcomes Assessment (under 'Forms and disclosure' > 'Member information' – available by mid 2024)
- Trustee and Fund information, such as the Trustee's constitution, and the Fund's trust deed and governing rules (under 'Forms and disclosure' > 'Member Information')
- Portfolio Holdings Disclosure information that discloses the value and weighting of each investment option held within a fund (under 'Forms and disclosure' > 'Member information')
- Directors' information, such as a list of executive officers, board meetings and attendance and the appointment of directors to the Board (under 'Forms and disclosure' > 'Member Information')
- Annual Member meeting information (found at [cfs.com.au/membermeeting](https://cfs.com.au/membermeeting)).

Members are encouraged to access these pages regularly, read any updates to the product, and stay generally informed about the Trustee, Fund, and details of the Annual Members meeting.



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### **Contact details of the Trustee**

Avanteos Investments Limited  
Locked Bag 20130  
GPO Melbourne VIC 3001  
Telephone 1300 769 619