

Commonwealth SuperSelect

Commonwealth PensionSelect

Commonwealth Personal Superannuation & Rollover Plan

Annual Report

2016/17 Annual Report to Members



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This Annual Report (Report) is issued by Colonial Mutual Superannuation Pty Limited ABN 56 006 831 983 AFSL 235025 (CMS, we, us, our), trustee of the Colonial Super Retirement Fund ABN 40 328 908 469 (the Fund). The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809 AFSL 235035 (CMLA) is the Administrator, Investment Manager and Insurer.

Commonwealth Financial Services is a registered business name of CMS and CMLA. CMS and CMLA are both wholly owned subsidiaries of Commonwealth Bank of Australia ABN 48 123 123 124 AFSL 234945.

Commonwealth SuperSelect (SuperSelect), Commonwealth PensionSelect (PensionSelect) and Commonwealth Personal Superannuation & Rollover Plan (CPS & RP) are products within the Fund.

Commonwealth Bank of Australia and its subsidiaries do not guarantee or in any way stand behind the performance of the Fund or the repayment of capital or interest by the Fund. Investments in the Fund are not deposits or liabilities of Commonwealth Bank of Australia or its subsidiaries, and investment-type products are subject to investment risk including possible delays in payment of benefits and loss of principal invested. Past performance is not an indicator of future performance. Past performance figures are generally quoted as annualised effective yields and are net of fees and taxes on earnings. Returns of less than 12 months are not annualised.

The information in this Report has been prepared without taking into account your objectives, financial situation or needs. You should, before acting on this information, consider its appropriateness to your circumstances.

You should speak to your tax adviser in relation to taxation issues and consider talking to a financial adviser before making an investment decision.

Taxation considerations are general and based on present taxation laws and may be subject to change. You should seek independent, professional tax advice before making any decision based on this information. CMS is also not a registered tax (financial) adviser under the Tax Agent Services Act 2009 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.

Introduction

Dear Member,

We are pleased to provide you with the Colonial Super Retirement Fund 2016/2017 Annual Report to Members (Report).

SuperSelect and CPS & RP are accumulation plans that allow you to build superannuation benefits for your retirement. PensionSelect is a pension plan that allows you to draw an income from your retirement benefit.

We trust you will find the Report informative and recommend that you read all sections relevant to your situation.

You can also obtain additional information online in relation to new superannuation rules and regulations and product updates by referring to our *Product news and important information* document at **commbank.com.au/superreports** under the *Product and Regulatory updates* section.

If you have any questions about this Report or your investment, please call 13 2015 between 8.30am and 6pm (Sydney time), Monday to Friday.

Investment performance

How we calculate performance

Returns are net of investment management fees, taxes and charges (where applicable).

Certain fees that are deducted directly from members accounts such as contribution fees, administration fees or withdrawal fees (if any) are excluded when calculating performance returns. Performance is calculated on the change in the withdrawal unit prices for the period ended 30 June 2017, corresponding to the investment timeframe indicated.

Individual net returns

Your individual net return may differ from the returns quoted in this Report. Your return depends on the timing of transactions such as contributions, withdrawals, switches or unit adjustments during the period and your mix of investment options.

Quarterly up-to-date performance information and investment market commentary is available online at commbank.com.au/superreports. Simply click on the link under *Performance information* and then click on the relevant link.

For the price of units on the dates of any deposits, withdrawals or switches (including any investment options you have switched into or out of), please call 13 2015 between 8.30am and 6pm (Sydney time), Monday to Friday.

Returns are not guaranteed and past performance is not indicative of future returns. There is no guarantee that one investment option will outperform another. The performance of the investment options is generally dependent on economic conditions, investment management and taxation laws.

Composite Benchmark

The investment objectives and strategy for some investment options with exposure to more than one asset class includes reference to a composite benchmark.

The composite benchmark is calculated based on the weighted average target asset allocation and index returns for each asset class. The composite benchmarks are shown on page 19.

SuperSelect and CPS & RP

Table of investment performance

Investment option	Annual returns to 30 June (%)					Five year compound average return to 30 June 2017 % p.a.
	2017	2016	2015	2014	2013	
High Growth/Shares strategy						
Commonwealth Australian Shares*	10.8	-0.1	4.8	13.3	18.1	9.2
Commonwealth Shares	13.2	-0.9	9.4	14.9	20.5	11.2
FirstChoice Wholesale High Growth [#]	12.9	-1.8	9.1	12.1	25.1	11.1
Commonwealth Growth*	9.7	1.2	8.8	13.2	16.1	9.7
Growth strategy						
Colonial First State Diversified	5.6	2.5	7.3	12.0	15.3	8.4
Perpetual Wholesale Balanced Growth ^{^^}	6.6	-1.2	5.2	9.7	17.3	7.4
FirstChoice Multi-Index Balanced	8.9	1.1	5.7	12.2	13.7	8.2
Commonwealth Managed*	7.8	1.6	7.9	11.7	13.4	8.4
Moderate strategy						
Colonial First State Balanced	3.4	2.1	5.0	9.0	9.7	5.8
BT Active Balanced	7.1	0.6	9.8	11.7	15.1	8.8
Commonwealth Balanced*	5.4	2.1	6.1	7.7	8.2	5.9
Conservative strategy						
Colonial First State Conservative	1.7	1.5	4.4	5.9	7.5	4.2
Defensive strategy						
Commonwealth Capital Defensive	1.5	2.7	3.2	4.8	3.9	3.2
Commonwealth Savings*	1.1	1.8	2.3	2.7	3.0	2.2
Commonwealth Capital Secure* ^{^^}	0.4	2.1	1.7	2.4	2.0	1.7

* Only these options are available to CPS & RP members.

[^] This option is not available to SuperSelect members.

[#] Performance prior to 14 May 2014 for this fund was Perpetual Split Growth.

^{^^} This option was previously referred to as Perpetual Balanced Growth.

Past performance is not indicative of future returns.

Investment performance

PensionSelect

Table of investment performance

Investment option	Annual returns to 30 June (%)					Five year compound average return to 30 June 2017 % p.a.
	2017	2016	2015	2014	2013	
High Growth/Shares strategy						
Commonwealth Australian Shares	13.4	0.6	6.6	16.1	22.1	11.5
Commonwealth Shares	15.3	-0.2	10.9	17.2	24.2	13.2
FirstChoice Wholesale High Growth [#]	14.3	-1.8	10.7	13.4	29.4	12.8
Commonwealth Growth	11.4	1.9	10.4	15.2	18.7	11.4
Growth strategy						
Colonial First State Diversified	6.4	3.1	8.3	13.6	17.4	9.6
Perpetual Wholesale Balanced Growth ^{^^}	7.6	-0.9	6.0	11.2	19.9	8.6
FirstChoice Multi-Index Balanced	10.1	1.5	6.6	14.1	16.0	9.5
Commonwealth Managed	9.3	2.5	9.4	13.7	15.7	10.0
Moderate strategy						
Colonial First State Balanced	4.2	2.7	6.1	10.6	11.5	7.0
BT Active Balanced	8.3	0.7	11.2	13.7	17.9	10.2
Commonwealth Balanced	6.4	2.8	7.2	9.2	9.7	7.0
Conservative strategy						
Colonial First State Conservative	2.3	2.2	5.4	7.2	9.0	5.2
Defensive strategy						
Commonwealth Capital Defensive	2.2	3.5	4.2	6.1	4.9	4.2
Commonwealth Savings	1.8	2.5	3.0	3.5	3.9	2.9
Commonwealth Capital Secure	1.1	3.1	2.7	3.6	3.0	2.7

[#] Performance prior to 14 May 2014 for this fund was Perpetual Split Growth.

^{^^} This option was previously referred to as Perpetual Balanced Growth.

Past performance is not indicative of future returns.

Investment options

Fund investment objective and strategy

The Fund's investment objective is to provide a diversified range of investment options. The Fund's investment strategy is to invest in life insurance policies issued by CMLA in accordance with the governing rules of the Fund. For the investment objective and strategy relevant to a specific investment option please refer to pages nine to eighteen.

CMLA manages your money but may delegate the investment management of the investment option to an underlying investment manager. Please refer to page eight for further details.

Selecting your investor profile

When choosing the investment option(s) you want to invest in or continue to remain in, you need to determine how much risk you are prepared to accept to receive an expected return. Generally, the higher the expected return, the higher the level of risk associated with the investment. The table on page six is segmented into five investor profiles we have identified, determined by attitudes to investment time horizon, required rate of return and tolerance to risk.

The benefits of a financial adviser

The information in this Report is of a general nature only. It does not take into account your individual needs, objectives or personal circumstances. In order to determine which investment options best suit your needs, we recommend that you speak with a financial adviser. A financial adviser will be able to

make a detailed assessment of your financial situation, help you define your investment goals and set a clear path to reaching them.

If you do not have a financial adviser a Commonwealth Financial Planner may be able to help you. To arrange a no obligation consultation with a Commonwealth Financial Planner just ask at any Commonwealth Bank branch or call 1800 241 996 between 8.30am and 5pm (Sydney time), Monday to Friday.

Investment options

	Aggressive	Growth	Moderate	Conservative	Defensive
Risk/return profile	Higher	←—————→			Lower
Suggested investment time horizon*	7 years or more	5 to 6 years or more	5 years or more	3 years or more	0 to 3 years or more
Volatility	Higher	←—————→			Lower
Investment objective	To earn significant returns over the long-term.	To earn relatively high returns over the long-term.	To earn moderate returns over the medium-term.	To earn relatively stable returns over the short to medium-term.	To earn relatively stable returns over any investment time horizon, with low potential for capital loss.
Investment strategy	Investment exposure is primarily growth assets.	Focus is on growth assets. Defensive assets provide stability to returns.	Investment strategy slightly favours growth assets, with defensive assets providing stability to returns.	Focus is on defensive assets with some exposure to growth assets.	Investment exposure is primarily in domestic cash and short-term securities.
Investor profile	For investors who seek to maximise their return and in exchange are prepared to accept a higher level of risk on their investment. They have a long-term horizon (7 years or more) and invest nearly entirely in growth assets.	For investors who desire the potential for higher returns and are comfortable with higher risks. Often, they have more time to ride out the ups and downs of the market, so they invest more aggressively to seek maximum long-term (5 to 6 years or more) growth.	For investors who seek capital growth and are willing to accept some volatility. Often, they have longer time horizons (5 years or more) and therefore may go after higher investment returns to outpace inflation. This strategy is balanced between shares and more defensive investments.	For investors who regard security as more important than the level of returns. Often they have short time horizons (3 years or more) and don't have time to ride out the ups and downs in the value of their investment. This strategy is more heavily weighted to defensive assets, which are usually more stable.	For investors who regard security as the most important aspect of their investment. They are willing to sacrifice returns to minimise risk and often have a short-term horizon (as little as 0 years). This strategy is predominantly weighted to defensive assets.

* For the suggested investment horizon for each investment option, please refer to the investment profiles on pages 9 to 18.

Switching between investment options

You can elect to switch between investment options at any time by completing the relevant switch form and sending it to us. You can obtain a copy of these forms by visiting commbank.com.au/superreports or calling 13 2015 between 8.30am and 6pm (Sydney time), Monday to Friday; or visiting any Commonwealth Bank branch.

No switch fees apply to SuperSelect, CPS & RP and PensionSelect.

Applicable dates when transacting

If you enquire about unit prices for transactional purposes, we can provide historical prices or values only. Should you decide to transact, you will receive the applicable unit price on the date we receive and accept your completed documentation (including any additional requirements, if applicable) at our principal office of administration.

Trustee policy towards use of derivatives

Investment managers may use financial derivatives such as futures, options and forward rate agreements.

For investment options the use of financial derivatives will depend on the strategies of the individual investment options.

How we calculate your investment balance

You purchase units in the investment option(s) of your choice whenever you contribute, transfer and rollover amounts. Similarly, you redeem units to pay for any withdrawals, switches, insurance premiums, tax and fees. The value of your benefit is

determined by multiplying the number of your units in each investment option by the relevant withdrawal unit price.

Net earnings

The net investment earnings for members in the Fund are reflected in the value of the unit price for each investment option, rather than being credited or debited against individual member accounts. Changes in the unit price reflect the earnings of the assets in the Fund, after providing for tax and management fees.

Method of allotment of earnings in all investment options

All income, including realised and unrealised capital gains and losses, and expenses for all investment options, are brought to account and are fully reflected in the unit price of that investment option. The unit prices of each investment option also provide for tax as appropriate.

Labour standards, environmental, social and ethical considerations

CMS and CMLA do not have a predetermined approach for considering labour standards or environmental, social or ethical considerations when making investment decisions.

However, should sustainability of earnings of those companies we invest in be adversely affected due to poor labour standards or activities considered environmentally, socially or ethically unacceptable, we may divest ourselves of the investment.

Hence we may sometimes consider these factors when making investment decisions.

Investment options

Responsible investing

Environment, Social and Corporate Governance (ESG) factors can have a material impact on investment outcomes and therefore ESG considerations are embedded into CMLA's investment decision making and active ownership practices.

CMLA has adopted the CBA Wealth Management Responsible Investing Framework (visit commbank.com.au) and is a signatory to the Principles for Responsible Investment (PRI), which provide a framework for the mainstream global investment community to incorporate ESG factors into their investment process.

CMLA has embedded ESG considerations in the process used to select managers and managers are encouraged to actively engage with companies and to incorporate ESG factors into their investment processes. CMLA's ESG approach is reflected in our PRI ratings, receiving an A rating in 6 out of 8 categories in 2017.

Who are the parties involved in your investment?

CMS is the Trustee of the Fund. The Fund invests in life insurance policies (Investment Policies) issued to the Trustee by CMLA. The underlying assets of the Investment Policies are held in CMLA's Statutory Fund No. 2L for SuperSelect and CPS & RP and Statutory Fund No. 4 for PensionSelect. SuperSelect and CPS & RP members are provided with optional term life insurance under a Group Life Insurance Policy (Life Policy) issued to the Trustee by CMLA. Premiums for the optional term life insurance

under the Life Policy are paid to, and benefits are paid from, CMLA's Statutory Fund No. 1. CMLA is the investment manager and manages all investments of the Statutory Funds. CMLA delegates the investment of the Statutory Funds in which the Investment Policies invest to Colonial First State Investments Limited ABN 98 002 348 352 AFSL 232468 (Colonial First State).

Consents

The third parties listed below have consented to be named in this Report. No third parties other than CMLA, have caused the issue of, or are responsible for the statements in this Report.

- BT Investment Management (RE) Limited
- Colonial First State Investments Limited
- Colonial First State Global Asset Management
- Perpetual Investment Management Limited.

Investment strategies

The footnotes mentioned in the investment strategies are located on the bottom of page eighteen.

High Growth/Shares

Commonwealth Australian Shares

Investment objective¹	To provide long-term capital growth through investments in Australian listed company shares. This option may have a high level of short to medium-term volatility.
Risk/return profile	Very high
Suggested investment time horizon²	At least seven years.
Investment strategy¹	Invest in shares of Australian listed companies
Asset allocation ranges⁴	90 – 100% Australian shares 0 – 10% Cash
Underlying investment manager⁵	Colonial First State Investments Limited

Commonwealth Shares

Investment objective¹	To invest in a diversified portfolio of Australian and global listed company shares expected to generate a mix of long-term capital growth and income but which may have a high level of short to medium-term volatility.
Risk/return profile	High
Suggested investment time horizon²	At least seven years.
Investment strategy¹	Invest in shares of Australian and overseas listed companies.
Asset allocation ranges⁴	25 – 75% Australian shares 25 – 75% International shares 0 – 10% Cash
Underlying investment manager²	Colonial First State Investments Limited

Investment strategies

High Growth/Shares (cont.)

FirstChoice Wholesale High Growth	
Investment objective¹	To provide long-term capital growth by investing in growth assets. To outperform the option's composite benchmark ⁶ over rolling three-year periods before fees and taxes.
Risk/return profile	High
Suggested investment time horizon²	At least seven years.
Investment strategy¹	To invest in a diversified portfolio of shares, property and infrastructure securities. In order to provide further diversification, the portfolio is allocated across a number of leading investment managers. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.
Asset allocation	40% Australian shares 15% Global shares 15% Global shares hedged 10% Emerging market shares 10% Global property securities 10% Global infrastructure securities
Underlying investment manager⁵	Colonial First State Investments Limited

Commonwealth Growth	
Investment objective¹	To invest in a diversified portfolio of predominately growth assets expected to generate a mix of long-term capital growth and income but which may be quite volatile in the short to medium term.
Risk/return profile	High
Suggested investment time horizon²	At least seven years.
Investment strategy¹	Invest in a broad range of assets, predominantly in growth investments.
Asset allocation ranges⁴	20 – 50% Australian shares 20 – 50% Global shares 0 – 25% Fixed interest 0 – 30% Alternative assets ³ 0 – 25% Cash
Underlying investment manager⁵	Colonial First State Investments Limited

Growth strategy

Colonial First State Diversified

Investment objective¹	To provide long-term capital growth. The option aims to outperform the composite benchmark ⁶ over rolling three-year periods before fees and taxes.
Risk/return profile	High
Suggested investment time horizon²	At least five years.
Investment strategy¹	The option's broad asset allocation is to be 70% invested in growth assets (shares and property) and 30% in defensive assets (fixed interest and cash). Allocations are reviewed regularly although a reallocation is only considered in response to a fundamental change in long-term expectations or market demand. The investment manager seeks to add value through a disciplined approach to selection of the investments held by the investment option. The investment option may hedge some or all of its currency exposure.
Asset allocation ranges⁴	25 – 35% Australian shares 15 – 25% Global shares 5 – 15% Global resource shares 0 – 10% Property securities 0 – 10% Global infrastructure securities 20 – 40% Fixed interest and cash
Underlying investment manager⁵	Colonial First State Global Asset Management (CFS GAM)

Perpetual Wholesale Balanced Growth⁷

Investment objective¹	To provide long-term capital growth and income through investment in a diversified portfolio with an emphasis on Australian and international share investments. The option aims to outperform the composite benchmark ⁸ over rolling three-year periods before fees and taxes.
Risk/return profile	High
Suggested investment time horizon²	At least five years.
Investment strategy¹	Perpetual invests in a diverse mix of growth, defensive and other assets, with a focus on Australian and international shares. Tactical asset allocation strategies may be applied, which involves the option adjusting its exposure to asset classes on a regular basis within the allocation ranges. Currency hedges may be used from time to time. Derivatives and exchange traded funds may be used.
Asset allocation ranges⁴	10 – 50% Australian shares 10 – 50% Global shares 0 – 15% Property 0 – 35% Fixed income 0 – 30% Alternative assets ³ 0 – 40% Cash and credit
Underlying investment manager⁵	Perpetual

Investment strategies

Growth strategy (cont.)

FirstChoice Multi-Index Balanced	
Investment objective¹	To provide capital growth and income over the long-term. To outperform the option's composite benchmark ⁵ over rolling three-year periods before fees and taxes.
Risk/return profile	High
Suggested investment time horizon²	At least five years.
Investment strategy¹	The option allocates 70% of investments to growth assets such as shares, property and infrastructure to provide potential for capital growth. The shares component is managed by Realindex Investments using the RAFI® methodology to select securities. The property and infrastructure components are managed using market capitalisation indices. 30% of the portfolio is allocated to defensive assets such as fixed interest and cash to provide the portfolio with relatively stable returns. The fixed interest component includes government bonds managed on a traditional index basis and a broadly diversified portfolio of credit securities. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.
Asset allocation	29% Australian shares 13% Global shares 14% Global shares - hedged 2% Emerging market shares 6% Global property securities 6% Global infrastructure securities 25% Fixed interest 5% Cash
Underlying investment manager⁵	Colonial First State Investment Limited

Growth strategy (cont.)

Commonwealth Managed	
Investment objective¹	To invest in a diversified portfolio of assets expected to generate a mix of long-term capital growth and income, but which may be volatile in the short to medium term.
Risk/return profile	High
Suggested investment time horizon²	At least six years.
Investment strategy¹	Invest in a broad range of assets with a majority in growth investments.
Asset allocation ranges⁴	15 – 40% Australian shares 15 – 40% Global shares 5 – 35% Fixed interest 0 – 30% Alternative assets ³ 0 – 20% Cash
Underlying investment manager⁵	Colonial First State Investments Limited

Investment strategies

Moderate strategy

Colonial First State Balanced

Investment objective¹	To provide long-term capital growth and income. The option aims to outperform the composite benchmark ⁶ over rolling three-year periods before fees and taxes.
Risk/return profile	Medium to high
Suggested investment time horizon²	At least five years.
Investment strategy¹	The option's broad asset allocation is to be 50% invested in growth assets (shares and property) and 50% in defensive assets (fixed interest and cash). Allocations are reviewed regularly although a reallocation is only considered in response to a fundamental change in long-term expectations or market demand. The manager seeks to add value through a disciplined approach to the selection of the investments held by the option. Derivatives may be used for risk management. The option may hedge some or all of its currency exposure.
Asset allocation ranges⁴	15 – 25% Australian shares 10 – 20% Global shares 5 – 15% Global resource shares 0 – 10% Property securities 40 – 60% Fixed interest and Cash
Underlying investment manager⁵	CFS GAM

BT Active Balanced

Investment objective¹	The option aims to provide a return (before fees, costs and taxes) that exceeds the option's composite benchmark ⁶ over rolling three-year periods.
Risk/return profile	High
Suggested investment time horizon²	At least five years.
Investment strategy¹	The option is an actively managed diversified portfolio that invests in Australian and international shares, property securities, Australian and international fixed interest and cash. The option has a higher weighting towards growth assets than to defensive assets. This option may hedge a portion of its currency exposure. Derivatives may be used in managing the option.
Asset allocation ranges⁴	28 – 48% Australian shares 12 – 32% Global shares 5 – 45% Diversified fixed interest 0 – 15% Property securities 0 – 15% Cash
Underlying investment manager⁵	BT Investment Management

Moderate strategy (cont.)

Commonwealth Balanced	
Investment objective¹	To invest in a diversified portfolio of assets expected to generate a mix of long-term capital growth and income with a moderate level of security and relatively stable returns.
Risk/return profile	Medium to high
Suggested investment time horizon²	At least 5 years.
Investment strategy	Invest in a broad range of assets with exposure to defensive and growth investments.
Asset allocation ranges⁴	5 – 25% Australian shares 5 – 25% Global shares 15 – 45% Fixed interest 0 – 25% Alternative assets ³ 10 – 35% Cash
Underlying investment manager⁵	Colonial First State Investments Limited

Investment strategies

Conservative strategy

Colonial First State Conservative	
Investment objective¹	To provide long-term capital preservation with an income focus. The option aims to outperform the composite benchmark ⁶ over rolling three-year periods before fees and taxes.
Risk/return profile	Medium
Suggested investment time horizon²	At least three years.
Investment strategy¹	The option's broad asset allocation is to be 30% invested in growth assets (shares and property) and 70% in defensive assets (fixed interest and cash). Allocations are reviewed regularly although a reallocation is only considered in response to a fundamental change in long-term expectations or market demand. The manager seeks to add value through a disciplined approach to selection of the investments held by the option. Derivatives may be used for risk management. The option may hedge some or all of its currency exposure.
Asset allocation ranges⁴	10 – 20% Australian shares 5 – 15% Global shares 0 – 10% Property securities 60 – 80% Fixed interest and cash
Underlying investment manager⁵	CFS GAM

Defensive strategy

Commonwealth Capital Defensive

Investment objective¹	To invest in a diversified portfolio of predominately defensive assets expected to generate a mix of income and long-term capital growth with an emphasis on stable returns and a high level of security.
Risk/return profile	Low
Suggested investment time horizon²	At least three years.
Investment strategy¹	Invest primarily in defensive investments while maintaining some exposure to growth investments.
Asset allocation ranges⁴	0 – 10% Australian shares 0 – 10% Global shares 0 – 15% Alternative assets ³ 5 – 75% Fixed interest 5 – 75% Cash
Underlying investment manager⁵	Colonial First State Investments Limited

Commonwealth Capital Secure

Investment objective¹	To invest in a diversified portfolio of fixed interest and money market securities expected to generate a mix of income and some long-term capital growth with an emphasis on stable returns and a high level of security.
Risk/return profile	Very low
Suggested investment time horizon²	At least three years.
Investment strategy¹	Invest in a defensive portfolio of income producing investments.
Asset allocation ranges⁴	5 – 60% Fixed interest 45 – 95% Cash
Underlying investment manager⁵	Colonial First State Investments Limited

Investment strategies

Defensive strategy (cont.)

Commonwealth Savings	
Investment objective¹	To provide income from investments in money market securities with a very low risk of capital loss.
Risk/return profile	Very low
Suggested investment time horizon²	At least zero years.
Investment strategy¹	Invest solely in deposits in the Commonwealth Bank.
Asset allocation ranges⁴	100% cash
Underlying investment manager⁵	Colonial First State Investments Limited

Notes

- 1 Investment objective and strategy - if there is any significant change in the investment strategy or objective of the investment option we will give you notice as required by law.
- 2 Suggested investment time horizon - the suggested period is based on analysis of the past performance of these types of assets held in each investment option and is not intended to imply or guarantee any particular return from any investment option. You should be aware that the value of your investment could fall as well as rise.
- 3 Alternative assets - these assets cover investments not covered by the other asset classes in the table including but not limited to alternative risk premia strategies, private equity, mortgages, direct property, development capital and infrastructure.
- 4 Asset allocation ranges - the asset allocation ranges represent the expected minimum and maximum exposure to each asset class within the investment option over the long-term. Asset allocations may move outside these ranges temporarily depending on movements in the value of financial markets. The asset allocation ranges may change over time.
- 5 Underlying investment manager - refers to the investment manager/adviser of the underlying fund.
- 6 Composite benchmark - the option's composite benchmark is shown on page nineteen.
- 7 This option was previously referred to as Perpetual Balanced Growth.

Composite benchmarks

For some options in the Report, the objective includes a reference to a composite benchmark. The composite benchmarks outlined below for each option are current as at the date of the Report. They may be subject to change at any time within the allocation ranges.

Option Name	Composite benchmark
FirstChoice Wholesale High Growth	10.0% FTSE EPRA/NAREIT Developed Rental Index (AUD hedged), 10.0% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 36.0% S&P/ASX 300 Accumulation Index, 4.0% S&P/ASX Small Ordinaries Index, 18.0% MSCI All Country World Index, 18.0% MSCI All Country World Index (AUD hedged), 4.0% MSCI Emerging Markets Index.
FirstChoice Multi- Index Balanced	24.0% S&P/ASX 200 Accumulation Index, 13.0% Bloomberg AusBond Composite 0+Yr Index, 14.0% MSCI All Country World (ex Australia) Index (AUD hedged), 13.0% MSCI All Country World (ex Australia) Index, 7.0% Citigroup World Government Bond Index (ex Australia) (AUD hedged), 6.0% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 6.0% FTSE EPRA/NAREIT Developed Rental Index (AUD hedged), 5.0% S&P/ASX Small Ordinaries Accumulation Index, 5.0% Bloomberg AusBond Bank Bill Index, 2.0% MSCI Emerging Markets Index, 5.0% Citigroup World Broad Investment Grade Corporate Index.
Colonial First State Conservative	40.0% Bloomberg AusBond Composite 0+Yr Index, 30.0% Bloomberg AusBond Bank Bill Index, 15.0% S&P/ASX 300 Accumulation Index, 10.0% MSCI All Country World (ex Australia) Index, 5.0% FTSE EPRA/NAREIT Developed Index (AUD hedged).
Colonial First State Balanced	35.0% Bloomberg AusBond Composite 0+Yr Index, 20.0% S&P/ASX 300 Industrials ex A-REIT, 15.0% MSCI All Country World (ex Australia) Index, 15.0% Bloomberg AusBond Bank Bill Index, 10.0% Euromoney Global Mining Accumulation Index (75.0%) and MSCI All Country World Energy Index (25.0%), 5.0% FTSE EPRA/NAREIT Developed Index (AUD hedged).
BT Active Balanced	38.0% S&P/ASX 300 Accumulation Index, 22.0% MSCI World (ex Australia) Index, 8.0% S&P/ASX 300 A-REIT Accumulation Index, 17.0% Bloomberg AusBond Composite 0+Yr Index, 8.0% JP Morgan GBI Global Traded Index (AUD hedged), 7.0% Bloomberg AusBond Bank Bill Index.
Colonial First State Diversified	30.0% S&P/ASX 300 Industrials ex A-REIT Index, 25.0% Bloomberg AusBond Composite 0+Yr Index, 20.0% MSCI All Country World (ex Australia) Index, 10.0% Euromoney Global Mining Accumulation Index (75.0%) and MSCI All Country World Energy Index (25.0%), 5.0% FTSE EPRA/NAREIT Developed Index (AUD hedged), 5.0% FTSE Global Core Infrastructure 50/50 Index (AUD hedged), 5.0% Bloomberg AusBond Bank Bill Index.
Perpetual Wholesale Balanced Growth¹	8.0% Bloomberg AusBond Bank Bill Index, 17.0% Bloomberg AusBond Composite 0+Yr Index, 33.0% S&P/ASX 300 Accumulation Index, 29.0% MSCI All Country World (ex Australia) Index, 3.0% FTSE EPRA/NAREIT Developed Rental Index, 10.0% CPI plus 5.0%.

Unless otherwise stated, indices referred to in the Report are calculated on the basis that: dividends are reinvested; foreign dividends are reinvested net of withholding tax; the calculation is in Australian dollar terms; and the index is unhedged to movements in the Australian dollar.

Notes

1 This option was previously referred to as Perpetual Balanced Growth.

Information for Commonwealth SuperSelect and Commonwealth Personal Superannuation & Rollover Plan members

Convenient ways to contribute more to your super

You can make additional contributions at any time by:

- Bpay® (see below for further information);
- setting up a Regular Savings Plan (RSP) (see across for more information);
- mailing a completed 'Additional Contribution form' with a cheque made payable to 'The Colonial Mutual Life Assurance Society Limited' directly to us.

A copy of the form is available by calling 13 2015 between 8.30am and 6pm (Sydney time), Monday to Friday or from the *Forms* section of **commbank.com.au/superforms** or by visiting any Commonwealth Bank Branch.

Contributions via Bpay®

To make a deposit via Bpay®, just follow the four simple steps below:

1. Access your bank, building society or credit union's internet or phone banking service.
2. Select the contribution that you wish to make by entering one of the following corresponding Biller codes:

Contribution type	Biller code
Personal contributions	131045
Spouse contributions	131029

3. Enter your Customer Reference Number (CRN), which is your SuperSelect or CPS & RP account number.
4. Confirm the transaction and write or print the transaction receipt number for your records.

You should check with your bank, building society or credit union to find out their daily cut-off time for Bpay® payments to ensure that they are credited to your superannuation account on the same day. These times can vary according to the financial institution.

Contributions via a RSP

From as little as \$100 per month you or your spouse can make regular contributions to your account through a RSP. (We cannot accept employer contributions via a RSP.)

We will automatically deduct all RSP contributions from your nominated bank, building society or credit union account each month on a date you nominate.

To establish a RSP please complete a 'Commonwealth Personal Superannuation & Rollover Plan and Commonwealth SuperSelect Regular Savings Plan form', which you can obtain from **commbank.com.au/superforms** or by calling 13 2015 between 8.30am and 6pm (Sydney time), Monday to Friday.

Don't miss the deadline – transactions at the end of the financial year.

To ensure the completion of all contributions and transactions prior to 30 June, it is important that we receive and accept all funds and documentation (including confirmation that you are eligible to contribute to superannuation if aged 65 or over) at our principal office of administration prior to or on 30 June.

Missing the 30 June cut-off may have tax consequences. Please allow a minimum of five working days for mail to reach our principal office of administration (refer to 'Contact details' on page 32 of this report). If contributing through a Commonwealth Bank branch, please ensure you make the contribution at least three business days prior to 30 June to ensure the transaction reaches our principal office of administration at this busy time of the year.

Additional information regarding the Fund for all members

Enquiries and complaints resolution

The Trustee is obliged to provide you with any information you reasonably require to understand your benefit entitlements. If you require further information about the Fund, require assistance to understand your benefit entitlements, have an enquiry or complaint, please call 13 2015 between 8.30am and 6pm (Sydney time), Monday to Friday.

What to do if you have a complaint

We accept that sometimes we can get things wrong, and when this happens we're determined to make them right again.

Talk to us

You can resolve most problems quickly and simply by talking with us. You can contact us as follows:

Customer Relations Team

Phone: 1800 805 605

Fax: 1800 028 540

CustomerRelations@cba.com.au

National Relay Service TTY/Voice

Phone: 133 677

Website: Relayservice.com.au

Speak and Listen Relay (SSR)

Phone: 1300 555 727

If you need further assistance after your initial enquiry, you can also contact us by writing to:

The Complaints Manager
Group Customer Relations
Commonwealth Bank of Australia
Reply Paid 41 Sydney NSW 2001

Alternatively you can contact us through a third party, providing you give us written authority to deal with them regarding the complaint.

What we will do

When you make a complaint to us we will:

- acknowledge your complaint and make sure we understand the issues;
- do everything we can to fix the problem;
- keep you informed of our progress;
- keep a record of your complaint;
- give you the name of the person dealing with your complaint, a reference number and contact details so that you can follow up if you want to;
- provide you with regular updates on your complaint; and
- provide a final response within 90 days.
- If we are unable to provide a final response to your complaint within 90 days, we will:
 - inform you of the reasons for the delay;
 - advise you of your right to complain to the Superannuation Complaints Tribunal (SCT); and
 - provide you with the SCT contact details.

Superannuation Complaints Tribunal (SCT)

Before the SCT has jurisdiction to deal with the matter it must be satisfied that the complaint was referred to an appropriate person under our internal enquiries and complaints arrangements. The SCT cannot deal with your complaint until you make reasonable efforts to have the Fund resolve the complaint.

If, after you make a complaint to the Fund, you are not satisfied with the response, or do not receive a response within 90 days, you can then lodge a complaint with the

SCT. The SCT cannot deal with certain matters, for example decisions that relate to the management of the Fund as a whole, such as investment performance, the level of fees and charges or employer decisions.

If the SCT accepts the complaint, it will attempt to resolve the matter through conciliation. If conciliation cannot resolve a complaint and it has not been withdrawn, it will proceed to Review. This means the SCT will consider submissions and make a decision to determine the outcome of the complaint.

To contact the SCT, you can telephone **1300 884 114** between 9am and 5pm (Sydney time), Monday to Friday from anywhere in Australia. Alternatively, visit their website at sct.gov.au.

Payment to an eligible rollover fund

The Trustee has selected SuperTrace Eligible Rollover Fund (SuperTrace) as the fund where it may transfer your benefit if:

- you do not have insurance cover and two pieces of written communication to you are returned unclaimed; or
- we are unable to allocate a contribution or rollover to your Account and the transferor will not accept a refund of the monies; or
- you exercise cooling-off rights and the nominated fund will not accept the transfer; or
- you do not have insurance cover, no contributions or rollovers have been credited to your Account for a period of at least 12 months, and your Account balance is less than \$1,000; or

to meet family law requirements; or

- we have not had two-way contact with you for a period greater than three years.

The trustee of SuperTrace is Colonial Mutual Superannuation Pty Ltd ABN 56 006 831 983 AFSL 235025. SuperTrace is part of the Commonwealth Bank Group's range of products and is administered by CMLA.

On transfer to SuperTrace, you cease to be an account holder of the Fund and your insurance cover (if applicable) will cease.

You should also note that SuperTrace:

- will apply a different fee structure;
- has a different risk investment approach;
- does not currently offer insured benefits in the event of death and disablement.

You should refer to the SuperTrace Product Disclosure Statement for more details.

To obtain a copy of the current SuperTrace PDS, please contact:

The Administrator
SuperTrace Eligible Rollover Fund
Locked Bag 5429
Parramatta NSW 2124

Telephone 1300 788 750 between 8.30am to 6pm Monday to Friday, Sydney time or visit supertrace.com.au.

Additional information regarding the Fund for all members

Unclaimed benefits

In some circumstances your benefits in the Fund may become subject to unclaimed superannuation benefit laws. Superannuation money may become unclaimed if:

- you have reached age 65; and
 - no contributions or amounts have been received by or for you for at least two years; and
 - the Trustee has not had contact with you for five years, after which reasonable efforts to make contact were unsuccessful; or
- you die and the Trustee determines that an immediate benefit (other than a pension) is payable and the Trustee cannot find the person entitled to the benefit after making reasonable efforts to do so and after the passing of a reasonable period; or
- you cease to hold a temporary visa and leave Australia and the ATO requires payment of the benefit.

The Trustee will transfer unclaimed benefits to the ATO. Where the Trustee transfers such benefits, any request for payment should be directed to:

Unclaimed Super Money
Australian Taxation Office
PO Box 3578
Albury NSW 2640

You can also contact the ATO on 13 10 20. Alternatively, you can do an online search by logging on or creating a myGov account at my.gov.au.

Lost members

We will treat you as lost if you are uncontactable, meaning that:

- we have never had an address for you; or
- two written communications to your last known address return unclaimed; and
- we do not receive a contribution or rollover for you within the last 12 months.

If you are lost at any time we will report this to the ATO. The ATO maintains a Lost Member Register. We will also need to tell the ATO if we subsequently find you, or if you subsequently transfer to another superannuation provider. Additionally, if you are lost and your account is less than \$6,000 we will pay this to the ATO.

If we transfer your account, you will no longer be an account holder of the Fund and any insurance cover that you may have in place will cease. If your account transfers to the ATO, you will be able to reclaim your money from the ATO at any time.

Departing Australia Superannuation Payment (DASP)

If you are a temporary resident and have not requested a DASP benefit within six months of the later of your temporary visa expiring and you're leaving the country, we may be required to pay your account balance to the ATO, under Division 3 of Part 3A of the Superannuation (Unclaimed Money and Lost Members) Act 1999. In these circumstances you will no longer be a member of the fund and you will lose any insurance cover. You will also no longer be invested in your chosen investment option(s). We are not obliged to notify or give an exit statement to you in this circumstance

as allowed by ASIC Class Order 09/437. Once your account balance has been transferred to the ATO, you may claim your benefit by contacting the ATO and downloading a DASP application from its website, ato.gov.au, or by calling on 13 10 20 or emailing it at DASPmail@ato.gov.au. Non-residents have the right to make an application to the Commissioner of Taxation to claim unclaimed superannuation under Division 4 of Part 3A of the Superannuation (Unclaimed Money and Lost Members) Act 1999.

Financial information

Benefits applicable to each member of the Fund are wholly determined by reference to life insurance policies. The Corporations Act 2001 provides an exemption for funds that invest in life insurance policies from providing certain information in their Annual Report to Members including audited fund accounts, the auditor's report, statement of assets and large investments.

If requested in writing, we will make copies of the following information available to you free of charge once each year:

- a copy of the recent audited accounts of the Fund; and
- a copy of the auditor's report.

Complying status of the Fund

The Fund is a complying superannuation fund and is eligible for concessional tax treatment.

The complying status of the Fund can only be revoked in exceptional circumstances. It is the Trustee's intention to ensure that the Fund will continue to qualify as a complying superannuation fund.

Indemnity Insurance

The Trustee, as a member of the Commonwealth Bank Group, is covered under the Group's Directors and Officers indemnity and professional indemnity insurance policies.

Reserves

The Fund does not currently hold any reserves.

Fund Trust Deed

The Fund's Trust Deed contains rules governing SuperSelect, PensionSelect and CPS & RP and sets out the rights and obligations of the Trustee and Members. Subject to law, we may change the Trust Deed at any time. However, changes that may adversely affect your interest in the fund are only allowable if:

- superannuation law expressly permits it;
- all affected members agree; or
- the regulatory authority agrees.

We will advise you if we make a change to the Trust Deed that affects you. A copy of the Trust Deed is available by calling us.

Trust Deed amendments

During the period 1 July 2016 to 30 June 2017 there were no Trust Deed amendments.

Amendment to the Investment Policy

There were no changes made to the Investment Policy for the period 1 July 2016 to 30 June 2017.

Additional information regarding the Fund for all members

Collection and verification of customer information

Customer information includes personal information such as name, age, gender, contact details as well as your health and financial information. The law requires us to identify our customers. We do this by collecting and verifying information about you. We may also collect and verify information about persons who act on your behalf. The collection and verification of information helps to protect against identity theft, money-laundering and other illegal activities.

We use your customer information to manage our relationship with you, provide you with the products and services you request and also tell you about the products and services offered by the Commonwealth Bank Group (Group), affiliated providers and external providers for whom we act as agent. If you have given us your electronic contact details, we may provide marketing information to you electronically. We may carry out the collection and verification of customer information in different ways and we will advise you of the most acceptable methods of doing this. We may disclose your customer information to carry out verification e.g. we may refer to public records to verify information and documentation, or we may verify with an employer that the information you give us is accurate.

We may collect and verify your full name, date of birth and residential address. If you are commonly known by two or more different names, you must give us full details of your other name or names. In addition, during your relationship with us, we may

also seek, and collect, further information about you and about your dealings with us. You must provide us with accurate and complete information. If you do not, you may be in breach of the law and also we may not be able to provide you with products and services that best suit your needs.

Protecting customer information

The Commonwealth Bank Group has a Privacy Policy outlining how we comply with the National Privacy Principles. You can view the Privacy Policy at commbank.com.au/privacy or request a copy from us or from any Commonwealth Bank branch.

Other disclosures

So that we can manage our relationships, we may disclose customer information to:

- your employer (if any, to the extent required to assist your employer to meet their obligations), brokers and agents who refer your business to us;
- any person acting on your behalf, including your financial adviser, solicitor, settlement agent, accountant, executor, administrator, trustee, guardian or attorney;
- if you have insurance, medical practitioners (to verify or clarify, if necessary, any health information you may provide), claims investigators and reinsurers (so that we can assess and manage any claim that you make), insurance reference agencies (where we are considering whether to accept a proposal of insurance from you and, if so, on what terms);

- external product providers into which you might direct some of your investment, other product providers to which we may transfer your investment; and
- organisations to whom we may outsource certain functions.

In all circumstances where our contractors, agents and outsourced service providers become aware of customer information, confidentiality arrangements apply. Our agents, contractors and outsourced service providers may only use customer information for our purposes. The law may require us to disclose customer information e.g. under Court Orders or Statutory Notices pursuant to taxation or social security laws or under laws relating to sanctions, anti-money laundering or counter terrorism financing.

The Group may send customer information overseas if:

- that is necessary to complete a transaction; or
- we outsource certain functions overseas.

We may also be permitted, as distinct from required, to disclose information in other circumstances.

Access to your personal information

The law allows you (subject to permitted exceptions) to access your personal information. You can do this by:

- emailing customerrelations@cba.com.au
- calling **1800 805 605**# or
- writing to:
Group Customer Relations
Commonwealth Bank of Australia
Reply Paid 41
Sydney NSW 2001

We may charge you for providing access to your personal information.

A free call unless made from a mobile phone, which we will charge at the applicable mobile rate.

Contact details

General enquiries	Who to contact ...
National callers	13 2015 8.30am to 6pm (Sydney time), Monday to Friday
International callers	+61 2 8756 5541 8.30am to 6pm (Sydney time), Monday to Friday
Unit prices	commbank.com.au/unitprices
Facsimile	1800 002 715
Internet	commbank.com.au/personal
Email	service@cba.com.au
Postal address	Commonwealth Financial Services GPO Box 3306, Sydney NSW 2001
Principal office of administration	Level 1, 11 Harbour Street Sydney NSW 2000
Branch network	Visit any Commonwealth Bank branch

Directory

The Fund

Colonial Super Retirement Fund
ABN 40 328 908 469

Trustee

Colonial Mutual Superannuation Pty Limited
ABN 56 006 831 983 AFSL 235025

Ground floor, Tower 1, 201 Sussex Street
Sydney NSW 2000

Administrator, Investment Manager and Insurer

The Colonial Mutual Life Assurance Society Limited
ABN 12 004 021 809 AFSL 235035

Locked Bag 5429
Parramatta NSW 2124

Principal office of administration

Level 1, 11 Harbour Street
Sydney NSW 2000

Notes

13 2015

8.30am to 6pm (Sydney time)

Monday to Friday

commbank.com.au

CLN1796 300917

